PACIFIC GAS AND ELECTRIC COMPANY

Wholesale Distribution Tariff

FERC Electric Tariff Volume No. 4

1. Preamble and Applicability

1.1 Preamble

Through its Transmission Owner (TO) Tariff, Pacific Gas and Electric Company (PG&E) makes transmission service available to Wholesale Customers through the Independent System Operator (ISO) in California, currently the California Independent System Operator Corporation (CAISO). On occasion, a Wholesale Customer who has arranged for transmission service under the TO Tariff, or has an equivalent arrangement with the ISO, may also require Distribution Service from PG&E.

As the Distribution Provider, PG&E will provide Distribution Service to loads pursuant to the applicable terms and conditions of this Wholesale Distribution Tariff (Tariff or WDT). Distribution Service under this Tariff is for the receipt of capacity and energy at designated Points of Receipt and the transportation of such capacity and energy to designated Points of Delivery.

1.2 Applicability

Distribution Service is available to wholesale entities that are Eligible Customers, as defined in Section 2.21 below, taking transmission service through the ISO to:

- new Distribution Customers; and
- existing Distribution Customers requesting Distribution Service to additional Point(s) of Receipt or Delivery.

No new Distribution Service or Distribution Service to additional Point(s) of Receipt or Delivery will be provided at secondary voltage under this Tariff. However, existing Points of Receipt and Points of Delivery that were receiving wholesale distribution service at secondary voltage on the day prior to the Effective Date of this Tariff (Legacy Secondary) can continue to receive secondary voltage service provided that there is no change to such service as described in Section 10.1.1.

The provisions of this Tariff are premised on the fact that the Eligible Customer is a

utility operating within the ISO service territory. Required ancillary services, if any, are to be provided by or through the Eligible Customer's arrangements with the ISO, and transmission services shall be separately and satisfactorily arranged between the Eligible Customer and the ISO.

The Distribution Provider will provide Distribution Service pursuant to the applicable terms and conditions contained in this Tariff and the individual Service Agreement developed for each request for Distribution Service. The Tariff is applicable to the transportation of capacity and energy that is: 1) generated or purchased by a Distribution Customer at a generation source and transported to the ISO Grid using the Distribution Provider's Distribution System, or 2) generated or purchased by a Distribution Customer from a generation source and transported from the ISO Grid to the Distribution Customer's Service Area using the Distribution Provider's Distribution System. The Tariff is also applicable to the delivery to the ISO Grid of any capacity and energy generated or purchased by the Distribution Provider that uses the Distribution Provider's Distribution System. Distribution Service shall be provided between the Distribution Provider's interconnection with the ISO Grid and the Distribution Customer's interconnection with the Distribution Provider's Distribution System. The Distribution Customer shall obtain and pay for Transmission Service from the ISO for such energy and capacity delivered to the ISO Grid or for energy and capacity received from the ISO Grid pursuant to the terms and conditions of the ISO Tariff and the TO Tariff. Service hereunder shall not be available if the Commission would be prohibited from ordering such service under Section 212(h) of the Federal Power Act (FPA).

> NOTE: An existing retail customer which becomes a Direct Access customer is not a wholesale customer and is not eligible for service under this Tariff. That customer must seek service under the applicable California Public Utilities Commission (CPUC) electric distribution tariffs.

1.2.1 Tariff Load Deadlines

Any deadlines applicable to a load Distribution Customer or the Distribution Provider based on the number of days, calendar or business as those terms are generally understood, set

forth in the Tariff, that fall on a federal holiday or weekend, will be extended to the next business day.

2. Definitions

2.1 Application

A written request by an Eligible Customer for Distribution Service to a Point of Delivery pursuant to the provisions of this Tariff that is submitted using PG&E's designated process, currently an internet-based portal hosted by PG&E. The portal should be used for all requests made by Distribution Customers including requests for permanent removal, service relocation, studies/evaluations, temporary disconnect/ or shutoff for safety, upgrades or changes, and tariff conversion.

Only a request submitted using PG&E's designated application process will be considered a valid Application. The process for submitting an Application may change with technology and circumstances.

Each Application is limited to the provision of wholesale Distribution Service to a single Point of Delivery. However, a single Point of Delivery may include multiple service meters.

2.2 CIAC

Contribution In-Aid-Of-Construction (CIAC) is all property, including money, received by PG&E from a Distribution Customer to provide for the installation, of Direct Assignment Facilities and Upgrades as those terms are defined herein. Property and facilities deeded to PG&E by a Distribution Customer are also subject to CIAC.

2.3 Commission

The Federal Energy Regulatory Commission (FERC) or its successor.

2.4 Contract Demand

The maximum amount of capacity and energy that the Distribution Provider determines it

can safely and reliably provide over its Distribution System to each of a Distribution Customer's Points of Delivery, based upon the Distribution Customer's request. In its Application, the Distribution Customer shall request a Contract Demand based upon its expected non-coincident peak load at each Point of Delivery, and the Distribution Provider shall make all reasonable efforts to accommodate the request. Contract Demand shall be expressed to the nearest hundredth of a megawatt on a thirty (30) minute interval (commencing on the clock hour and half-hour) basis.

2.5 Control Area

An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to maintain:

(1) at all times, a balance between the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), and the load within the electric power system(s);

(2) scheduled interchange with other Control Areas, within the limits of Good Utility Practice;

(3) the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and

(4) operating reserves, by ensuring sufficient generating capacity in accordance with Good Utility Practice.

2.6 Cost of Ownership

The Cost of Ownership charge reflects the Distribution Provider's on-going cost liabilities of owning and operating Direct Assignment Facilities, including such items as maintenance costs, replacement costs (due to age and deterioration), and ad valorem taxes. The Cost of Ownership charge is the product of the actual installation costs (which include the costs of Distribution Facilities installed by the Distribution Provider plus any facilities installed by the Distribution Customer or others that are deeded to the Distribution Provider) and the Cost of

Ownership rate stated in Appendix II: Wholesale Distribution Charges of the Tariff. The Cost of Ownership charge will be trued-up to the actual installed costs upon the Distribution Provider's completion of the Facilities required to provide Distribution Service to the Distribution Customer.

2.7 CPUC

The California Public Utilities Commission.

2.8 Curtailment

A reduction in Distribution Service in response to a capacity shortage as a result of system reliability conditions.

2.9 Delivering Party

The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

2.10 Delivery Voltage

The voltage at which electric power is delivered by PG&E to the wholesale Distribution Customer under this Tariff. All deliveries shall be at primary voltage. No secondary voltage Distribution Service is available under this Tariff except as stated in Section 1.2.

2.11 Demand

The rate at which energy is consumed ("load") at a Point of Delivery, measured in kilowatts (kWs), for each 30-minute interval. If the load is intermittent or subject to wide fluctuation, a 5-minute interval may be used.

2.12 Designated Agent

Any entity that performs any of the actions or functions required by this Tariff on behalf of the Distribution Provider, an Eligible Customer, or the Distribution Customer.

2.13 Direct Assignment Facilities

Facilities or portions of facilities owned by the Distribution Provider that, solely as a result of and in response to a Distribution Customer's request for Distribution Service under this Tariff, must be constructed or installed by the Distribution Provider in order to interconnect and serve the Distribution Customer's requested Point of Delivery. Facilities are directly assigned for the Distribution Customer's use at a Point of Delivery when the Distribution Provider has no need to construct or install the facilities to meet any of its own Distribution System needs. The Distribution Customer is responsible for the entire cost of Direct Assignment Facilities, including the Income Tax Component of Contributions (ITCC) and one-time payment option for Cost of Ownership as defined herein. Under some circumstances, Direct Assignment Facilities Costs may be reimbursable for the Distribution Customer subject to section 13.14. Direct Assignment Facilities and an estimate of the resulting Cost of Ownership charge shall be specified in the Service Agreement that governs service to the Distribution Customer.

2.14 Direct Assignment Facilities Costs

All the upfront costs of the Direct Assignment Facility, the ITCC, Cost of Ownership, and any true-up to reflect final actual costs of the Direct Assignment Facility.

2.15 Distribution Customer

For generation, any Eligible Customer that submits an application under PG&E's Generator Interconnection Study Procedures set forth in Attachment K of this Tariff and executes a generator interconnection agreement.

For load, any Eligible Customer that submits an Initial Application and: (i) executes a Service Agreement; or (ii) requests in writing that the Distribution Provider file with the Commission, an unexecuted Service Agreement to receive service under this Tariff.

2.16 Distribution Facilities

Electrical equipment consisting of poles, conduit, splice boxes, conductors and devices, typically operating at less than 50 kV, used for distributing electrical energy at primary voltage.

EXCEPTION: Those transmission facilities (50 kV and above) which radially supply end-use customers at transmission voltages shall also be considered Distribution Facilities for purposes of this Tariff, as ordered by the Commission in its October 30, 1996 order in Docket No. EL96-48-000.

2.17 Distribution Provider

PG&E or its Designated Agent.

2.18 Distribution Service

The interconnection and transportation at primary voltage of electric power over and through the Distribution Provider's Distribution System for delivery to a Distribution Customer's Points of Delivery. EXCEPTION: Service will continue to be provided to Legacy Secondary Points of Delivery at secondary voltage.

2.19 Distribution System

As it relates to the Distribution Provider, the Distribution System reflects the Distribution Facilities, including Direct Assignment Facilities owned by the Distribution Provider, upon which it relies to transport capacity and energy at primary voltage between the Transmission System and the Distribution Customer's Point of Delivery.

As it relates to the Distribution Customer, the Distribution System reflects the Distribution Facilities including Intervening Facilities and Interconnection Facilities of which the Distribution Customer has *bona fide* ownership or control, upon which it relies to provide capacity and energy to its end-use customer.

2.20 Effective Date & Term of WDT

The Effective Date of this Tariff shall be May 25, 2025 or such other date as the Commission may determine. Applications that do not have an executed Service Agreement by May 25, 2025 are subject to this Tariff.

This Tariff shall remain in effective until the Commission approves a modification or

replacement of the Tariff, subject to the following Terms:

(1) Beginning in calendar year 2028, Distribution Customers shall have the right to terminate this Tariff, to be exercised on an annual basis by providing written notice to PG&E and to the Notification List no later than March 31 of the calendar year ("Notice of Termination"). Following receipt of the Notice of Termination, PG&E shall file a successor Tariff pursuant to Section 205 of the Federal Power Act ("FPA"), which shall include a request for an effective date that is January 1 of the upcoming year. For example, a Distribution Customer could provide Notice of Termination on March 31, 2028, which would require PG&E to file a successor Tariff with a requested effective date of January 1, 2029. All Parties retain their rights to oppose PG&E's filing.

(2) PG&E agrees to a moratorium on changing the Tariff until January 1, 2029—i.e., PG&E cannot make a Section 205 filing for a Tariff successor with an effective date earlier than January 1, 2029. PG&E shall provide notice to Parties that it intends to file a successor by March 31 of the calendar year preceding the calendar year of the proposed effective date of the successor rate. For example, if the proposed effective date of the successor Tariff is January 1, 2029, then PG&E must provide notice by March 31, 2028. Prior to filing the successor Tariff filing, PG&E will schedule a technical conference to provide information on PG&E's intended successor.

(3) Notwithstanding (1) and (2) above, PG&E may make the single-issue filings provided for in Appendix I of this Tariff, i.e., single issue filings are permitted to modify the Wildfire Liability Cost Recovery Formula Rate ("Formula Rate") for a change in customer composition as provided in Section 8.1 of Appendix I, to recover the costs of fires that ignited during the WDT3 effective period (April 15, 2021 through and including May 24, 2025) as provided in Section 8.2 of Appendix I, or to update the references in the Formula Rate to reflect any changes to the Uniform System of Accounts as provided in section 8.3 of Appendix I. Likewise, notwithstanding (1) and (2) above, PG&E may make the single-issue filings provided for in Appendix II of this Tariff, i.e., single issue filings are permitted to modify the depreciation rates as provided in Section 4.1 of Appendix II, or to recover non-bypassable charges as provided in Section 4.2 of

Appendix II, or to modify the excess deferred Federal Income Taxes amortization methodology in Section 4.3 of Appendix II. PG&E acknowledges that the Commission may, at its discretion, broaden the scope of such a single-issue filing.

2.21 Eligible Customer

For generating facilities: Any electric utility (including the Distribution Provider or any power marketer) or any person generating electric energy for sale for resale is an Eligible Customer under this Tariff. Electric energy sold or produced by such Eligible Customer may be electric energy produced in the United States, Canada, or Mexico.

For load entities: Any electric utility as defined in Section 3(22) of the Federal Power Act (16 USC § 796(22)), (including the Distribution Provider) or any Federal Power Marketing Agency, provided, that any entity applying for service to serve retail customers must be authorized by California or Federal law to furnish, sell, or distribute electric energy to retail customers and must have obtained any applicable regulatory approvals, to provide such service. With respect to Distribution Service that the Commission would otherwise be prohibited from ordering by Section 212(h) of the Federal Power Act (16 USC § 824k(h)), such service shall be provided only if provided pursuant to a state requirement that the Distribution Provider offer the Distribution Service, or pursuant to a voluntary offer of such service by the Distribution Provider.

2.22 Facilities Study

An assessment performed by the Distribution Provider after a System Impact Study to determine the required Direct Assignment Facilities and Upgrades to the Distribution Provider's Distribution Facilities that will be required to provide the requested Distribution Service. The Facilities Study will also include the estimated cost and estimated completion date for installation of the Direct Assignment Facilities and Upgrades required to interconnect the Distribution Customer and provide the requested Distribution Service.

2.23 Generation

The capacity and output of any generating facility connected to the Distribution System

that can deliver energy to the ISO.

2.24 Good Utility Practice

Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the circumstances and 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.

2.25 Initial Application

An Application for Distribution Service that provides all of the information requested in Section 13.2, including payment of the required Interconnection Request Fee, and that has been deemed complete by the Distribution Provider. Even where an Initial Application has been deemed complete by the Distribution Provider, additional information may be necessary for the Distribution Provider to prepare a Service Agreement and construct all facilities for the requested Distribution Service.

2.26 Interconnection Agreement

An agreement containing the terms and conditions for the physical interconnection of the Distribution Systems of the Distribution Customer and the Distribution Provider that provides for the safe and reliable operation and maintenance of, and the rights and responsibilities associated with, the interconnection of the Parties' Distribution Systems. A Distribution Customer requesting Distribution Service under this Tariff shall be required to execute an Interconnection Agreement with the Distribution Provider.

2.27 Interconnection Request Fee

A nonrefundable fee of $1,500.00 that must accompany each Application. This fee is

intended to cover the Distribution Provider's costs associated with reviewing and processing the Application, making a preliminary assessment of capacity availability, and preparing a Service Agreement. [1]

2.28 Intervening Facilities

The Distribution Facilities that must be installed between the Distribution Provider-owned Distribution System and the Distribution Customer's end-use customer's facilities for purposes of the Distribution Customer's delivery of energy to its own customer. Intervening Facilities requirements are described in Section 12.2.1. The requirements for *bona fide* ownership or control of Intervening Facilities by the Distribution Customer are set forth in Sections 12.2.2 and 12.2.3.

2.29 ISO

The Independent System Operator approved by the Commission, currently the California Independent System Operator Corporation, which has operational control over the interconnected transmission systems in California.

2.30 ITCC

The Income Tax Component of Contributions is the Federal and State tax PG&E is required to pay on income by PG&E received as a Contribution In Aid of Construction. That ITCC amount must be paid to PG&E by the Distribution Customer.

2.31 Reactive Demand

The Distribution Customer's reactive power demand determined for each 30-minute interval, measured in kilovars (kVARS), that must be delivered and integrated. If the load is

[1] Consistent with the first Offer of Partial Settlement filed April 6, 2021, in Distribution Provider's WDT3 proceeding (Docket Nos. ER20-2878-000, *et al*.), at Section 6.3, the Interconnection Request Fee shall be inapplicable to applications by the Western Area Power Administration (WAPA) to add additional Points of Delivery that are eligible for service under Section 10 (and subsections thereof) of the Service Agreement for Wholesale Distribution Service between Distribution Provider and WAPA, Service Agreement No. 17 under FERC Electric Tariff Volume No. 4.

intermittent or subject to wide fluctuation, a 5-minute interval may be used.

2.32 Load Shedding

The systematic reduction of system demand by temporarily decreasing load in response to Transmission System or area capacity shortages, system instability, or voltage control considerations.

2.33 Native Load Customers

The wholesale and retail power customers of the Distribution Provider on whose behalf the Distribution Provider, by statute, franchise, regulatory requirement, or contract, has undertaken an obligation to construct and operate the Distribution Provider's system to meet the electric needs of such customers reliably.

2.34 Parties

The Distribution Provider and the Distribution Customer receiving service under this Tariff.

2.35 Point(s) of Delivery

Point(s) on the Distribution Provider's Distribution System that interconnect with the Distribution Customer’s Distribution System where capacity and energy transmitted by the Distribution Provider will be made available to the Distribution Customer under this Tariff. The Point(s) of Delivery shall be specified in the Service Agreement for Distribution Service.

2.36 Point(s) of Interconnection

The physical point(s) where Direct Assignment Facilities, if any, or a Distribution Customer’s Intervening Facilities connect to the Distribution Provider’s Distribution System.

2.37 Point(s) of Receipt

Point(s) of interconnection on the Distribution Provider's Distribution System where the Delivering Party will provide capacity and energy to the Distribution Provider for delivery to the

Distribution Customer under this Tariff.

2.38 Power Purchaser

The entity that is purchasing the capacity and energy to be transmitted under this Tariff.

2.39 Regional Transmission Group (RTG)

A voluntary organization of transmission owners, transmission users, and other entities approved by the Commission to coordinate transmission planning and expansion, operation, and use on a regional and/or interregional basis.

2.40 Service Agreement

The initial agreement for wholesale service and, if executed by the Parties, any amendments or supplements thereto, entered into by the Distribution Customer and the Distribution Provider for Distribution Service under this Tariff to a Point of Delivery. *See* Attachment A to this Tariff for the Form of Service Agreement.

2.41 Service Commencement Date

The date the Distribution Provider begins providing service pursuant to the terms of an executed Service Agreement, or the date the Distribution Provider begins providing service in accordance with Section 11.3 of this Tariff.

2.42 Special Facilities

Special Facilities are: (a) facilities requested by a Distribution Customer that are in addition to, or in substitution for, facilities which PG&E would normally provide for delivery of service at one Point of Delivery or through one meter; or (b) a pro rata portion of the facilities requested by a Distribution Customer, allocated for the sole use of the Distribution Customer, which would not normally be allocated for such sole use. Special Facilities will be installed, owned and maintained by PG&E as an accommodation to the Distribution Customer only if acceptable for operation by PG&E and if the reliability of service to PG&E's other customers is not impaired. Unlike Direct Assignment Facilities, Special Facilities are not eligible for refund

under Section 13.14; rather, the cost treatment of Special Facilities is set forth in Section 13.15. Under this Tariff, Special Facilities include, but are not limited to, new and modified facilities needed to provide Back-Up Service pursuant to Section 13.16.

2.43 System Impact Study

An assessment performed by the Distribution Provider after a preliminary determination that its Transmission System and/or Distribution System may not have sufficient capacity to serve the Eligible Customer's requested Contract Demand for Distribution Service, to determine: (i) the adequacy of the Distribution Provider's existing Transmission System and Distribution System to accommodate the requested Distribution Service; and (ii) whether any additional facilities are necessary to provide the requested Distribution Service. If additional facilities are determined to be necessary to provide the requested Distribution Service, the System Impact Study report will recommend the need for a Facilities Study.

2.44 Third-Party Sale

Any sale for resale of energy in interstate commerce to a Power Purchaser.

2.45 Transmission System

The facilities owned by the Distribution Provider and controlled by the ISO that are used to provide transmission service under the ISO Tariff.

2.46 Upgrades

Improvements, expansions, additions, or modifications to the Distribution Provider's existing facilities that must be made solely as a result of and in response to a Distribution Customer's request for Distribution Service under this Tariff. Unlike Direct Assignment Facilities, those Upgrades are not directly assigned for the Distribution Customer's use but may be used by both the Distribution Provider's Native Load Customers and the Distribution Customer. Upgrades shall be specified in the Service Agreement that governs service to the Distribution Customer. The Distribution Customer's responsibility for the Upgrade Costs will be determined based on the options provided in section 13.13.

2.47 Upgrade Costs

The upfront costs of the Upgrade, including the ITCC, and any true-up to reflect final actual costs of the Upgrade.

2.48 WDT Design Standard

The Wholesale Distribution Tariff Interconnection Design Options for Primary Voltage Service standard that appears in the then-current versions of PG&E's Electric and Gas Service Requirements Manual (Greenbook) and electric construction manuals that controls the design and construction of primary level service interconnections.

2.1 Application

A request by an Eligible Customer for Distribution Service pursuant to the provisions of this Tariff.

2.6 CPUC

The California Public Utilities Commission.

[DELETED]

3. Ancillary Services

Ancillary Services are needed with all transmission service to maintain reliability within the ISO Grid and the Distribution System. Ancillary Services are not provided through this Tariff. The Distribution Service offered in this Tariff is conditioned on the Distribution Customer's having obtained Ancillary Services pursuant to the ISO Tariff, which includes an option for the Distribution Customer to self-provide ancillary services.

4. Billing and Payment

4.1 Billing Procedure

Within a reasonable time after the first day of each month, or at some other mutually agreeable time, the Distribution Provider shall submit an invoice to the Distribution Customer for

the charges for all services furnished under this Tariff during the preceding month. The invoice shall be paid by the Distribution Customer within twenty (20) calendar days of receipt. All payments shall be made in immediately available funds payable to the Distribution Provider or by wire transfer to a bank named by the Distribution Provider.

4.2 Interest on Unpaid Balances

Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated in accordance with the methodology specified for interest on refunds in the Commission's regulations at 18 C.F.R. § 35.19a(a)(2)(iii). Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered paid on the date the payment is received by the Distribution Provider.

4.3 Customer Default

In the event the Distribution Customer fails, for any reason other than a billing dispute as described below, to make payment to the Distribution Provider on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after the Distribution Provider notifies the Distribution Customer to cure such failure, a default by the Distribution Customer shall be deemed to exist. Upon the occurrence of a default, the Distribution Provider may initiate a proceeding with the Commission to terminate service, but the Distribution Provider shall not terminate service until the Commission approves any such request. In the event of a billing dispute between the Distribution Provider and the Distribution Customer, the Distribution Provider will continue to provide service under the Service Agreement as long as the Distribution Customer: (i) continues to make all payments not in dispute; and (ii) pays into an independent escrow account the portion of the invoice(s) in dispute, pending resolution of such dispute. If the Distribution Customer fails to meet these two requirements for continuation of service, then the Distribution Provider may provide notice to the Distribution Customer of its intention to suspend service in sixty (60) calendar days, in accordance with Commission policy.

5. Regulatory Filings

Nothing contained in this Tariff or any Service Agreement under this Tariff shall be construed as affecting in any way the right of the Distribution Provider to make application unilaterally to the Commission for a change in rates, terms and conditions, charges, or classification of service under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

Nothing contained in this Tariff or any Service Agreement under this Tariff shall be construed as affecting in any way the ability of any Party receiving service under this Tariff to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

6. Uncontrollable Force and Indemnification

6.1 Uncontrollable Force

An Uncontrollable Force means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm, flood, earthquake, explosion, pandemic, cybersecurity-attack, 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 Distribution Customer which could not be avoided through the exercise of Good Utility Practice. Neither the Distribution Provider nor the Distribution Customer will be considered in default of any obligation under this Tariff if prevented from fulfilling that obligation due to the occurrence of an Uncontrollable Force.

6.2 Occurrence of Uncontrollable Force

In the event of the occurrence of an Uncontrollable Force, which prevents the Distribution Provider or Distribution Customer from performing any of its obligations under this Tariff, the affected entity shall: (i) if it is the Distribution Provider, immediately notify the Distribution Customer in writing of the occurrence of such Uncontrollable Force and, if it is the Distribution Customer, immediately notify the Distribution Provider in writing of the occurrence of such Uncontrollable Force; (ii) not be entitled to suspend performance of its obligations under

this Tariff in any greater scope or for any longer duration than is required by the Uncontrollable Force; (iii) use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligations hereunder as soon as practicable; (iv) in the case of the Distribution Provider, keep the Distribution Customer apprised of such efforts, and in the case of the Distribution Customer, keep the Distribution Provider apprised of such efforts, in each case on a continual basis; and (v) provide written notice of the resumption of its performance of its obligations hereunder when the Uncontrollable Force is no longer present. Notwithstanding any of the foregoing, the settlement of any strike, lockout, or labor dispute constituting an Uncontrollable Force shall be within the sole discretion of the entity involved in such strike, lockout, or labor dispute and the requirement that an entity must use its best efforts to mitigate the effects of the Uncontrollable Force and/or remedy its inability to perform and resume full performance of its obligations hereunder shall not apply to strikes, lockouts, or labor disputes.

6.3 Liability for Damages

The Distribution Provider shall not be liable in damages to any Distribution Customer for any losses, damages, claims, liability, costs or expenses (including legal expenses) arising from the performance or non-performance of its obligations under this Tariff, except to the extent that they result from gross negligence or intentional wrongdoing on the part of the Distribution Provider.

6.4 Exclusion of Certain Types of Loss

The Distribution Provider shall not be liable to any Distribution Customer under any circumstances for any consequential or indirect financial loss including but not limited to loss of profit, loss of earnings or revenue, loss of use, loss of contract or loss of goodwill, except to the extent that it results from gross negligence or intentional wrongdoing on the part of the Distribution Provider.

6.5 Distribution Customer Indemnity

Each Distribution Customer, to the extent permitted by law, shall indemnify the Distribution Provider and hold it harmless against all losses, damages, claims, liabilities, costs or expenses (including legal expenses) arising from any act or omission of the Distribution Customer, except to the extent that they result from the Distribution Provider's default under this Tariff or gross negligence or intentional wrongdoing on the part of the Distribution Provider or of its officers, directors, or employees.

6.6 Allocation and Limitation of Imposed Penalties

Notwithstanding Section 6.3 Liability for Damage, in the event either the Distribution Provider or the Distribution Customer fails to perform its duties under this Tariff and it results in any penalty imposed on the other party, Distribution Provider and Distribution Customer shall meet and attempt to: (1) determine what caused the incident that led to the imposition of the penalty, (2) identify remedies for the incident (and remedies to prevent future occurrences), and (3) allocate any penalty in proportion to fault. In the event the parties are unable to agree, either party may pursue the dispute resolution provisions in Section 8 Dispute Resolution. Any remedy or allocation of penalty shall be subject to existing laws, which may limit a party's ability to enact a remedy or to pay a penalty. In the event an existing law, statute or regulation limits a one party's ability to effect a remedy (*e.g.*, payment of monetary damages), such limitation shall be treated as a reciprocal limitation between both of the parties.

7. Creditworthiness

For the purpose of determining the ability of the Distribution Customer to meet its obligations related to service hereunder, the Distribution Provider may require reasonable credit review procedures. This review shall be made in accordance with standard commercial practices. In addition, the Distribution Provider may require the Distribution Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under the Tariff, or an alternative form of security proposed by the Distribution Customer and acceptable to the Distribution Provider that is consistent with commercial practices established by the Uniform

Commercial Code and that protects the Distribution Provider against the risk of non-payment. The Distribution Provider will determine, on a non-discriminatory basis, whether security will be required and, if so, in what amount. Absent a material adverse change in the creditworthiness of the Distribution Customer, security will not be required where the Distribution Customer has previously established its creditworthiness pursuant to a tariff, rate schedule, or service contract for service provided by the Distribution Provider, and has not defaulted on its obligation under that applicable tariff, rate schedule, or service contract.

8. Dispute Resolution Procedures

8.1 Internal Dispute Resolution Procedures

Any dispute between a Distribution Customer and the Distribution Provider involving Distribution Service under this Tariff (excluding applications for rate changes or other changes to this Tariff, or to any Service Agreement entered into under this Tariff, which shall be presented directly to the Commission for resolution) shall be referred to a designated senior representative of the Distribution Provider and a designated senior representative of the Distribution Customer for resolution on an informal basis as promptly as practicable. For any disputes referred to internal dispute resolution under this Section 8.1 that pertains to a pending Application, the Parties shall work in good faith to continue the application process to the greatest extent possible notwithstanding the dispute. To the extent the application process cannot proceed during dispute resolution proceedings, any otherwise applicable deadlines shall be tolled until the end of the thirty (30) calendar day (or otherwise agreed-upon) period for internal dispute resolution. In the event the designated representatives are unable to resolve the dispute within thirty (30) calendar days or such other period as the Parties may agree upon in writing, by mutual agreement of the Parties such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

8.2 External Arbitration Procedures

Any arbitration initiated under the Tariff 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 referral 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, distribution, 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 generally conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and any applicable Commission regulations or Regional Transmission Group rules. Where a dispute involves facts and issues that are the subject of a dispute pending under the ISO Tariff or the TO Tariff ADR Procedures, the dispute may be consolidated with the other pending proceeding(s) by the agreement of the Parties to the dispute, which agreement shall not be unreasonably withheld.

8.3 Arbitration Decisions

Unless otherwise agreed in writing, 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 this Tariff and any Service Agreement entered into under this Tariff and shall have no power to modify or change any of the above 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 arbitration decision shall be based on: (i) the evidence in the record; (ii) the terms of this Tariff; (iii) applicable United States federal law, including the FPA and any applicable FERC regulations and decisions, and international treaties or agreements as applicable; and (iv) applicable state law. The decision of the arbitrator(s) may be appealed solely on the grounds set forth in California law. The final decision of the arbitrator must also be filed with the Commission if it affects jurisdictional facilities, rates, or terms and conditions of service.

8.4 Arbitration Costs

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

(A) 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

(B) one half the cost of the single arbitrator jointly chosen by the Parties.

8.5 Rights Under the Federal Power Act

Nothing in this section shall restrict the rights of any Party to file a Complaint with the Commission under relevant provisions of the Federal Power Act.

9. Governing Law

Except as otherwise provided by federal law, this Tariff shall be governed by and construed in accordance with, the laws of the state of California.

10. Nature of Distribution Service

10.1 Primary Service

New Distribution Service under this Tariff is provided at primary voltage only. Points of Delivery that were receiving service under this Tariff at secondary voltage on the day prior to the Effective Date of this Tariff (Legacy Secondary) can continue to receive Tariff service at secondary voltage provided that there is no change to such service.

10.1.1 Change in Existing Secondary Service

PG&E agrees to continue to provide secondary voltage service under this Tariff to each Legacy Secondary Point of Delivery so long as the Distribution Customer does not initiate a change to its service at the Legacy Secondary Point of Delivery. Prior to initiating a change to its service at a Legacy Secondary Point of Delivery, as described below, the Distribution Customer shall submit an Application to upgrade the service to primary voltage service in

accordance with Section 13 of this Tariff and shall upgrade the Legacy Secondary Point of Delivery to primary voltage. A failure to do so will result in a loss of eligibility to receive Distribution Service at that Legacy Secondary Point of Delivery under this Tariff.

Specifically, any of the following changes to the secondary service panel:

1) increase in ampacity,
2) change in physical location,
3) change in voltage, or
4) change in delivery method (overhead to underground or underground to overhead)

at a Legacy Secondary Point of Delivery will require the Distribution Customer to submit an Application to upgrade that Point of Delivery to service at primary voltage and to comply with PG&E's then-current interconnection procedures and WDT Design Standard in order to retain eligibility for Tariff service. If the Distribution Customer intends to proceed with the change(s) without upgrading the Legacy Secondary Point of Delivery to primary voltage service as described above, the Legacy Secondary Point of Delivery will lose eligibility for Tariff service and will be terminated. The Distribution Provider shall not terminate service until the Commission approves any such request. While the termination request from the Distribution Provider is being addressed by the Commission, the Distribution Customer shall not change the Legacy Secondary Point of Delivery. After Commission approval of the termination, the Legacy Secondary Point of Delivery may be changed and will then be converted to CPUC-jurisdictional service.

In addition to the requirements described above, for a Distribution Customer with a Legacy Secondary Point of Delivery on PG&E's network distribution grid under this Tariff, where service on PG&E's radial Distribution System is available within 450 feet, any of the following changes to the secondary service panel:

1) increase in ampacity,
2) change in physical location or
3) change in voltage

will require the Distribution Customer to submit an Application to upgrade that Legacy Secondary Point of Delivery to service at primary voltage on PG&E's radial Distribution System

and to comply with PG&E's then-current interconnection procedures and WDT Design Standard in order to retain eligibility for Tariff service. If the Distribution Customer intends to proceed with the change(s) without upgrading the Legacy Secondary Point of Delivery to primary service as described above, the Point of Delivery will lose eligibility for Tariff service and will be terminated. The Distribution Provider shall not terminate service until the Commission approves any such request. While the termination request from the Distribution Provider is being addressed by the Commission, the Distribution Customer shall not change the Legacy Secondary Point of Delivery. After the Commission approves termination, the Point of Delivery may be changed and will then be converted to CPUC-jurisdictional service.

If the Distribution Customer intends to change service to the Legacy Secondary Point of Delivery served on PG&E's network distribution grid but the Point of Delivery is located further than 450 feet from PG&E's existing radial Distribution System, then continued service under this Tariff will not be available and the Point of Delivery will be terminated. The Distribution Provider shall not terminate service until the Commission approves any such request. While the termination request from the Distribution Provider is being addressed by the Commission, the Distribution Customer shall not change the Legacy Secondary Point of Delivery. After Commission approval of termination, the Legacy Secondary Point of Delivery may be changed by the Distribution Customer and will then be converted to CPUC-jurisdictional service.

10.2 Term and Termination

10.2.1 Term

Unless otherwise agreed or unless terminated earlier pursuant to Section 10.2.2, a Service Agreement under this Tariff shall have a "standard term" of five (5) years, with automatic renewals for successive five-year periods thereafter, unless either Party provides written notice of its intention to terminate service no later than ninety (90) calendar days prior to termination of the Service Agreement. Notwithstanding the foregoing, the minimum term of Distribution Service shall be one day and, if the Distribution Customer desires a term other than the standard term, the Distribution Customer may request such term in its Application. The term of each Service Agreement shall be specified in the Service Agreement itself. Independent of the length

of the term of any Service Agreement, all terms and conditions associated with the provision of Distribution Service in this Tariff shall apply.

10.2.2 Termination of a Service Agreement

The Distribution Customer may at any time direct the Distribution Provider to file for termination of a Service Agreement with the Commission. The Distribution Customer must submit an Application and make this request through the application process described in Section 13.2. Within ninety (90) calendar days from receipt of such notice, the Distribution Provider shall make such a filing. The Distribution Provider must provide to the Distribution Customer ninety (90) calendar days advance written notice of its intention to file with the Commission to terminate service, and may only terminate service for good cause, as the result of a significant regulatory change or significant operational change or as otherwise described in this Tariff. In the case of a significant regulatory or operational change, the Distribution Provider must make a reasonable offer to continue to provide Distribution Service to the Distribution Customer consistent with the regulatory or operational change.

10.2.3 Termination of a Service Agreement for Non-Usage

If the Distribution Customer stops taking Distribution Service under its Service Agreement for a continuous period of six (6) months, as evidenced by the absence of any metered load for six (6) consecutive months, the Distribution Provider shall be entitled to provide written notice of its intent to terminate Distribution Service under that Service Agreement (or, as appropriate, to the relevant Point of Delivery under the Service Agreement), subject to approval or acceptance by the Commission. If the Distribution Customer anticipates the need to extend the period of non-usage for any Point of Delivery beyond six months and desires to maintain interconnection service under the Tariff, it must request an extension in writing and provide Distribution Provider with a payment equivalent to 50% of Contract Demand multiplied by the then-effective stated rate as shown in Appendix II: Wholesale Distribution Charges for fourteen (14) months of service under the Tariff no later than fourteen (14) calendar days after its six-month period of non-usage. Upon timely receipt of such a request and payment, Distribution Provider shall provide a one-time extension of six months of

additional permissible non-usage for a Point of Delivery served under the Tariff ("Extension Period"). A failure by Distribution Customer to reinitiate service, as reasonably evidenced by sustained metered load, during the Extension Period will subject the Point of Delivery to termination, subject to approval or acceptance by the Commission. To the extent that the Distribution Provider provides notice and seeks Commission approval to terminate service for non-payment and there is a delay in Commission approval of termination beyond sixty (60) calendar days, Distribution Customer shall be obligated to pay 50% of Contract Demand multiplied by the then-effective stated rate as shown in Appendix II: Wholesale Distribution Charges each month until the service is terminated. A Distribution Customer shall be entitled to two Extension Periods, totaling two (2) years of permissible, compensated non-usage, for each Point of Delivery served under the Tariff. To the extent that the Distribution Customer desires to use its Extension Periods conterminously (back-to-back), it must request its extension in writing and provide the Distribution Provider with an aggregate payment equivalent to 50% of Contract Demand multiplied by the then-effective stated rate as shown in Appendix II: Wholesale Distribution Charges for each of twelve (12) additional months of non-usage prior to expiration of the first Extension Period. Nothing in this Tariff precludes a Distribution Customer from submitting a new Application in order to re-initiate Distribution Service to a Point of Delivery that has been terminated for non-usage or non-payment, however, any Application seeking to reinitiate service to a Legacy Secondary Point of Delivery that has been terminated for non-usage or non-payment will be required to request primary voltage service and to comply with all interconnection requirements under the current Tariff. Except as otherwise provided, the terms of this Section 10.2.3 shall not apply to Points of Delivery designated for a Qualifying Exception in Sections 10.2.3.1 and 10.2.3.2, or to Points of Delivery associated with Back-Up Service pursuant to Section 13.4.

10.2.3.1 Qualifying Exception for Distribution Customers Who Provide Advance Notice of, and Compensation for, Non-Usage of Agricultural Loads

Distribution Customer Points of Delivery used to pump and move water for agriculture, irrigation or sustainable groundwater management purposes (and not for water treatment for drinking or sanitation purposes) ("Ag Distribution Points of Delivery") and whose non-usage is justified by hydrological conditions or regulatory restrictions may, despite extended periods of

non-usage, maintain service under the WDT by paying a minimum fee monthly to reserve capacity by adhering to the following requirements.

1. Any Distribution Customer who seeks to designate new Ag Distribution Points of Delivery for service subject to a qualifying exception in this Section 10.2.3.1 must identify them to the Distribution Provider as part of its initial Application for service. A failure to do so will waive eligibility for the qualifying exception.

2. Distribution Customers who desire to designate existing Ag Distribution Points of Delivery for this exception must identify them in writing to the Distribution Provider no later than forty-five (45) calendar days after this Tariff language becomes effective ("Designation Date"). For timely designations of each Ag Distribution Point of Delivery, the application of charges described below in this Section 10.2.3.1 shall be applied to Distribution Service provided in the first full month after the Designation Date and going-forward monthly for each month of non-usage. A failure by the Distribution Customer to identify and request a Point of Delivery be treated as an Ag Distribution Point of Delivery subject to a qualifying exception in this Section 10.2.3.1 within forty-five (45) calendar days of the Designation Date will render any such Point of Delivery ineligible for the qualifying exception and shall subject it to termination for non-usage pursuant to Section 10.2.3 above.

3. For each month of non-usage associated with a timely designated Ag Distribution Point of Delivery, the Distribution Customer agrees to pay the Distribution Provider a monthly fee equivalent to three (3) times the then-effective stated rate as shown in Appendix II: Wholesale Distribution Charges for the relevant Distribution Customer.

4. For each month of usage at a timely designated Ag Distribution Point of Delivery, the Distribution Customer shall pay for its actual usage.

For any of the non-usage periods described above in 10.2.3.1, a failure by the Distribution Customer to pay the monthly fee described in Section 3 above for non-usage will result in termination of the Point of Delivery, subject to FERC's approval or acceptance of the termination.

10.2.3.2 Qualifying Exception and Compensation for Points of Delivery Not Used Except In Response to Emergencies

Distribution Customer Points of Delivery that are only used in direct response to unexpected emergency circumstances, such as for fire protection, police alert, storm pumps, emergency alerts or signage ("Emergency Points of Delivery"), may, despite extended periods of non-usage, maintain service under the WDT by paying a minimum fee monthly to reserve capacity by adhering to the following requirements.

1. Any Distribution Customer who seeks to designate new Emergency Distribution Points of Delivery for service subject to a qualifying exception in this Section 10.2.3.2 must identify them to the Distribution Provider as part of its initial Application for service. A failure to do so will waive eligibility for the qualifying exception.

2. Distribution Customers who desire to designate existing Emergency Points of Delivery for this exception must identify them in writing to the Distribution Provider no later than forty-five (45) calendar days after this Tariff language becomes effective ("Designation Date"). For timely designations of each Emergency Distribution Point of Delivery, the application of charges described below in this Section 10.2.3.2 shall be applied to Distribution Service provided in the first full month after the Designation Date and going-forward monthly for each month of non-usage. A failure by the Distribution Customer to identify and request a Point of Delivery be treated as an Emergency Distribution Point of Delivery subject to a qualifying exception in this Section 10.2.3.2 within forty-five (45) calendar days of the Designation Date will render any such Point of Delivery ineligible for the qualifying exception and shall be subject it to termination for non-usage pursuant to Section 10.2.3 above.

3. For each month of non-usage associated with a timely designated Emergency Distribution Point of Delivery, the Distribution Customer agrees to pay the Distribution Provider a monthly fee equivalent to ten (10) times the then-effective stated rate as shown in Appendix II: Wholesale Distribution Charges for the relevant Distribution Customer.

4. For each month of usage at a timely designated Emergency Distribution Point of

Delivery, the Distribution Customer shall pay for its actual usage.

For any of the non-usage periods described above in 10.2.3.2, a failure by the Distribution Customer to pay the monthly fee described in Section 3 above for non-usage will result in termination of the Point of Delivery, subject to FERC's approval or acceptance of the termination.

10.2.4 Impact of Termination of Distribution Service on Direct Assignment Facilities

If Distribution Service terminates at any Point of Delivery for any of the reasons discussed in this Section 10.2, the Distribution Provider shall, at its discretion, remove the Direct Assignment Facilities. If, after termination, the Distribution Provider elects to remove the Direct Assignment Facilities, or the Distribution Customer requests that the Distribution Provider remove the Direct Assignment Facilities, the Distribution Customer shall be responsible for all costs incurred to remove the Direct Assignment Facilities and shall be credited for any positive net salvage value or charged for any negative net salvage value associated with the removal of those facilities.

10.3 Distribution Service Priority

Distribution Service shall be available on a first-come, first-served basis *(i.e.*, in the chronological sequence in which the Distribution Provider has deemed each Distribution Customer Application to be complete)

10.4 Contract Demand

Contract Demand shall be specified in the Service Agreement for Distribution Service filed at the Commission. The Distribution Provider may require a System Impact Study and if needed, a Facilities Study, which shall be conducted at the Distribution Customer's expense, to determine whether sufficient capacity exists to serve the requested Demand. To the extent that the Distribution Provider's study (or studies) indicates that the Distribution Provider is required to install Direct Assignment Facilities or Upgrades to serve the Distribution Customer's requested Contract Demand, the cost responsibility of those facilities will be determined pursuant to sections 13.13 and 13.14.

10.4.1 Application and Study Requirements for Exceeding Contract Demand

If the Distribution Customer exceeds the Contract Demand at a Point of Delivery, including for Back-Up service as provided in section 13.4, the Distribution Provider may require the Distribution Customer to submit an Application to increase the Contract Demand and the Distribution Provider may require a System Impact Study and if needed, a Facilities Study, which shall be conducted at the Distribution Customer's expense, to determine whether sufficient capacity exists to safely and reliably provide service to that Point of Delivery on a going-forward basis. To the extent that the study or studies indicates that sufficient capacity does not exist, and that the Distribution Provider must install Direct Assignment Facilities and/or Upgrades to its Distribution System to continue to serve the Distribution Customer's Contract Demand, the Distribution Provider shall install such Direct Assignment Facilities and/or Upgrades and the cost responsibility of those facilities will be determined in accordance with sections 13.13, 13.14, and 13.4.

10.4.2 Requests to Increase Contract Demand

If the Distribution Customer notifies the Distribution Provider of its desire to establish a Contract Demand amount for a Point of Delivery that existed prior to the Effective Date of this Tariff and that Contract Demand exceeds its prior estimated peak demand amount or its prior Contract Demand for that Point of Delivery, the Distribution Customer must submit an Application seeking to increase the Contract Demand. After reviewing the Application, the Distribution Provider may require a System Impact Study and if needed, a Facilities Study, which shall be conducted at the Distribution Customer's expense, to determine whether sufficient capacity exists to safely and reliably provide service to that Point of Delivery on a going-forward basis at the requested Contract Demand. To the extent that the study or studies indicate that sufficient capacity does not exist, requiring the Distribution Provider to install Direct Assignment Facilities and/or Upgrades to its Distribution System to serve the Distribution Customer's increased Contract Demand, the Distribution Provider shall install such Direct Assignment Facilities and/or Upgrades and the cost responsibility of those facilities will be determined pursuant to sections 13.13, and 13.14.

Where the Distribution Customer expects its peak load to increase over the term of the

Service Agreement, the Distribution Customer shall provide an advanced monthly forecast spanning two (2) years forward of its expected peak load to the Distribution Provider at least two (2) years in advance. Any desired increase in the Contract Demand on file with the Commission will require the Distribution Customer to submit an Application through the portal sufficiently in advance of its need for the increased Contract Demand. If additional Direct Assignment Facilities are required as a result of the request for increase Contract Demand, Distribution Provider will calculate the total Cost of Ownership for the Service Agreement to include the additional Interconnection Facilities as well as any existing Interconnection Facilities that will remain.

10.4.3 Requests to Decrease Contract Demand

Upon receipt of a request to establish a lower Contract Demand the Distribution Provider will confirm acceptance of the reduced Contract Demand within twenty (20) business days. The Distribution Provider's grant of a request for a Contract Demand at a Point of Delivery that is lower than the prior estimated peak demand or Contract Demand shall not alter in any way a Distribution Customer's obligation to pay full Cost of Ownership expenses associated with existing Direct Assignment Facilities and/or Upgrades for the Point of Delivery, nor shall a reduction in the Contract Demand entitle the Distribution Customer to an equitable adjustment associated with payments made by or charged to the Distribution Customer for Direct Assignment Facilities or Upgrades associated with the Point of Delivery except as provided in sections 13.13 and 13.14. To the extent that a Distribution Customer's reduction in its Contract Demand at a Point of Delivery enhances the capacity of the Distribution Provider's Distribution System, the Distribution Provider may allocate such capacity to other customers and the Distribution Customer is not entitled to an equitable adjustment except as provided in sections 13.13 and 13.14.

If, after lowering its Contract Demand in accordance with the terms above, a Distribution Customer subsequently desires to increase its Contract Demand and studies indicate that sufficient capacity does not exist to serve the increased Contract Demand, requiring that the Distribution Provider must install Direct Assignment Facilities and/or Upgrades to its Distribution System to serve the Distribution Customer's newly requested Contract Demand or

Ratcheted Contract Demand, the Distribution Provider shall install such Direct Assignment Facilities and/or Upgrades and the cost responsibility of those facilities will be determined pursuant to sections 13.13 and 13.14 without consideration of prior circumstances.

10.5 Distribution Customer Obligation for Additions or Redispatch

In cases where the Distribution Provider determines that its Distribution Facilities are not capable of providing Distribution Service without (1) degrading or impairing the reliability of service to Native Load Customers, or other Distribution Customers taking Distribution Service; or (2) interfering with the Distribution Provider's ability to meet prior firm contractual commitments to others, the Distribution Provider will expand capacity or upgrade its Distribution Facilities pursuant to the terms of Section 11.4. The Distribution Customer must agree to compensate the Distribution Provider for any necessary Upgrades or Direct Assignment Facilities as specified under this Tariff, including sections 13.13 and 13.14.

To the extent the Distribution Provider can relieve any system constraint more economically by redispatching (*i.e.*, distribution switching or load transfers) the Distribution Provider's resources rather than through constructing Upgrades or Direct Assignment Facilities, it shall do so, provided that the Distribution Customer agrees to compensate the Distribution Provider. Labor costs required for redispatch will be considered as Upgrade Costs and may be refundable for load Distribution Customers under section 13.13. In addition, applicable Distribution Charges and the Wildfire Liability Cost Recovery Charge under Appendix I and II of the Tariff may apply.

10.6 Load Shedding and Curtailment of Distribution Service

In the event that a Curtailment on the Distribution Provider's system, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, the Distribution Provider will curtail service to Distribution Customers taking Distribution Service on a basis comparable to the curtailment of service to the Distribution Provider's Native Load Customers. All Curtailments will be made on a non-discriminatory basis.

When the Distribution Provider determines that an electrical emergency exists on its Transmission or Distribution Systems and implements emergency procedures to curtail Distribution Service, the Distribution Customer shall make the required reductions upon the request of the Distribution Provider. However, the Distribution Provider reserves the right to curtail, in whole or in part, any Distribution Service provided under this Tariff when, in the Distribution Provider's sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission or Distribution Systems. The Distribution Provider will notify the affected Distribution Customer in a timely manner of any scheduled Curtailments.

10.7 Classification of Distribution Service

(a) The Distribution Customer taking Distribution Service may request a modification of the Point(s) of Receipt or Delivery on a firm basis pursuant to the terms of Section 16.

(b) The Distribution Customer may purchase Distribution Service to make sales of capacity and energy from multiple generating units that are on the Distribution Provider's Transmission System. For such a purchase of Distribution Service, the high voltage bus of the distribution substation will be designated as the Point of Receipt for purposes of this Tariff. If there are multiple generating units connected to the Distribution System, the resources will be designated as multiple Points of Receipt unless the multiple generating units are the same generating plant in which case the units would be treated as a single Point of Receipt.

(c) The Distribution Provider shall provide deliveries of capacity and energy from the Point(s) of Receipt to the Point(s) of Delivery. Each Point of Receipt shall be set forth in the Service Agreement along with a corresponding Contract Demand associated with each Point of Receipt. The Distribution Customer may not exceed its Contract Demand at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 19. The Distribution Provider shall specify the rate treatment and all related terms and conditions applicable in the event that a Distribution Customer (including Third-Party

Sales by the Distribution Provider) exceeds its Contract Demand at any Point of Receipt or Point of Delivery.

10.8 Generation on Customer's Side of Meter

A Distribution Customer may elect to install generation on its System. If the Distribution Customer wishes to export capacity and energy from its System, it shall submit an application to connect via an appropriate Wholesale Distribution Tariff generator interconnection agreement with the Distribution Provider, and all appropriate arrangements shall be made with the Distribution Provider in advance of such installation.

10.9 Self-Provision of Ancillary Services

Nothing in this Tariff is intended to limit a Distribution Customer in the self-provision or sale of Ancillary Services, to the extent the Distribution Customer is eligible to self-provide or sell Ancillary Services under the terms of the ISO Tariff or contracts, except when emergency conditions preclude such provision of ancillary services. Except to the extent that a Distribution Customer may be called upon to provide Reactive Power support consistent with the operations of the Distribution Provider, a Distribution Customer must maintain the power factor at the interface between the Distribution Customer's facilities and the Distribution Provider's facilities pursuant to Section 17.4.

10.10 Conflict with ISO Tariff

If a Distribution Customer identifies a conflict between this Tariff and the ISO Tariff, the Distribution Provider and the Distribution Customer shall make good-faith efforts to resolve the conflict. If the Parties are unable to resolve the conflict informally, the Parties may use the Dispute Resolution Procedures set forth in Section 8 of this Tariff or may file with the Commission to resolve it.

10.11 Conflicting Operating Instructions

In the event a Distribution Customer receives conflicting operating instructions from the ISO, one or more Participating Transmission Operators, as that term is defined in the CAISO

Tariff, or the Distribution Provider, and, if human safety would not knowingly be jeopardized nor electric facilities knowingly be subjected to damage while the Distribution Customer seeks to reconcile the conflict with the appropriate ISO, Participating TO and/or Distribution Provider employees before acting, the Distribution Customer should attempt a reconciliation. Otherwise, the Distribution Customer shall adhere to ISO Tariff provisions 4.2.1 and 4.2.2 and follow the ISO's instructions. In no event shall a Distribution Customer be required to follow operating instructions from the ISO if following those instructions would knowingly jeopardize human safety.

11. Service Availability

11.1 General Conditions

The Distribution Provider will provide Distribution Service over, on, or across its Distribution Facilities to any Distribution Customer that has met the requirements of Section 12.

11.2 Determination of Available Capability

A description of the Distribution Provider's specific methodology for assessing available transmission and distribution capability is contained in Attachment B to this Tariff. In the event sufficient transmission and distribution capability may not exist to accommodate a service request, the Distribution Provider will respond by performing a System Impact Study.

11.3 Initiating Service Without an Executed Service Agreement

If, after deeming the Application of an Eligible Customer complete, the Distribution Provider and the Distribution Customer requesting Distribution Service cannot agree on all the terms and conditions of the Service Agreement or the accompanying distribution Interconnection Agreement described in Section 13.5, which governs the interconnection of the Distribution Provider's and Distribution Customer's systems for Distribution Service, the Distribution Customer shall have the option of requesting that the Distribution Provider file with the Commission, within thirty (30) calendar days after the date the Distribution Customer provides written notification directing the Distribution Provider to file, an unexecuted Service Agreement and accompanying distribution Interconnection Agreement containing terms and conditions

deemed appropriate by the Distribution Provider for such requested Distribution Service. The Distribution Provider shall commence providing Distribution Service pursuant to that unexecuted Service Agreement subject to the Distribution Customer's agreeing to: (i) compensate the Distribution Provider at whatever rate the Commission ultimately determines to be just and reasonable; and (ii) comply with the terms and conditions of this Tariff, including paying the appropriate Interconnection Request Fee in accordance with the terms of Section 13.2. However, this obligation to provide an unexecuted Service Agreement to the Distribution Customer does not apply if the Distribution Customer has not provided requested site information necessary for the Distribution Provider to design Direct Assignment Facilities and Upgrades or information that is necessary to prepare a Service Agreement and Interconnection Agreement.

11.4 Expansion or Modification of the Distribution System

If the Distribution Provider determines that it cannot accommodate an Initial Application for Distribution Service or an application or request to expand Contract Demand because of insufficient capacity on its Transmission System or Distribution System, the Distribution Provider will use due diligence to modify its Distribution System and its Transmission System in an effort to provide the requested capacity for Distribution Service, provided the Distribution Customer adheres to the cost responsibility requirements of this Tariff including sections 13.13 and 13.14. The Distribution Provider will conform to Good Utility Practice in determining the need for new Distribution Facilities and Upgrades and in the design and construction of such facilities.

11.5 Deferral of Service

The Distribution Provider may defer providing service until it completes construction of new transmission facilities or Distribution Facilities or Upgrades to existing facilities needed to provide the requested Distribution Service capacity whenever the Distribution Provider determines that providing the requested service would, without such new facilities or Upgrades, impair or degrade reliability to any existing services.

12. Distribution Customer Responsibilities

12.1 Conditions Required of Distribution Customers

Distribution Service shall be provided by the Distribution Provider provided that the following conditions are satisfied by the Distribution Customer:

a. The Distribution Customer has submitted an Initial Application for service accompanied by an Interconnection Request Fee;

b. The Distribution Customer has met the creditworthiness criteria set forth in Section 7;

c. The Distribution Customer has demonstrated that it will have arrangements in place for any other transmission service and ancillary services necessary for the delivery of energy from the generating source to the Distribution Provider prior to the time service under this Tariff commences;

d. The Distribution Customer has demonstrated compliance with the WDT Interconnection Design Options for Primary Voltage Service (WDT Design Standard) of the then-current versions of PG&E's Electric and Gas Service Requirements Manual (Greenbook) and electric construction manuals;

e. The Distribution Customer has demonstrated *bona fide* ownership or control of Intervening Distribution Facilities as described in Section 12.2;

f. The Distribution Customer has agreed to make and has made payment for any facilities constructed and chargeable to such Distribution Customer under this Tariff; and

g. The Distribution Customer has executed an Interconnection Agreement and has also executed a Service Agreement or has agreed to receive service pursuant to Section 11.3.

12.2 Intervening Facilities Requirements

All Eligible Customers shall be required to demonstrate *bona fide* ownership or control of the Intervening Distribution Facilities as provided in Section 12.2.1 except in the case where an Eligible Customer meets the criteria for grandfathering in 16 USC § 824k(h)(2) ("Grandfathering"). To the extent that an Eligible Customer intends to invoke this Grandfathering provision, the Eligible Customer must do so as part of its Application and at that time must provide evidence demonstrating that, for each Point of Delivery for which it claims eligibility for Grandfathering, the criteria of 16 USC § 824k(h)(2) are met. An Eligible Customer applying for Distribution Service must demonstrate *bona fide* ownership or control of Intervening Facilities as provided for in Sections 12.2.2 and 12.2.3.

To the extent the Distribution Customer is required to demonstrate continued *bona fide* ownership or control of Intervening Facilities at a site that has previously received service under this Tariff (including, but not limited to, new Applications related to peak load increases or other changes at existing Points of Delivery), the Distribution Customer may demonstrate *bona fide* ownership or control of Intervening Facilities as provided for in Sections 12.2.2 or 12.2.3. In such instances, if, after a reasonable, good faith attempt to locate the documentation described in Sections 12.2.2 or 12.2.3, the Distribution Customer finds that no such documentation exists, the Distribution Customer may demonstrate *bona fide* ownership or control of facilities with a sworn statement by an officer or executive of the applicant identifying the relevant facilities, describing the good faith effort to locate documentation, affirming that they are owned or controlled by the Distribution Customer, and describing the basis for this affirmation. Such affirmation associated with Section 12.2.2 shall include a description sufficient to demonstrate that the Distribution Customer's ownership includes ongoing responsibility (*e.g.*, responsibility for operation, maintenance, insurance or self-insurance, and liability) for such Intervening Facilities. Such affirmation associated with Section 12.2.3 shall include a description sufficient to demonstrate that Distribution Customer is the party responsible for ensuring that the Intervening Facilities are operated, maintained, and repaired in accordance with all applicable laws and regulations and Good Utility Practice and that the Distribution Customer is responsible for the attendant costs or risks associated with assertion of its control.

12.2.1 Intervening Facilities

The definition of Intervening Facilities for purposes of determining Distribution Service eligibility is independent of and does not address the facilities required by PG&E for a safe interconnection. The distribution Interconnection Agreement, defined in Section 2.26, may require that adequate interconnection facilities (distinct from Intervening Facilities) be in place to support a safe interconnection in accordance with the Distribution Provider's standards for protection at the Point of Interconnection, North American Electric Reliability Corporation (NERC) standards, and Good Utility Practice.

The Intervening Facilities identified in Table 1 of the WDT Design Standard, below, are required for typical underground and overhead service connections. A detailed explanation and relevant diagrams are provided in the WDT Design Standard.

Table 1 Intervening Facility Requirements (Distribution Customer Owned)

Intervening Facility	**Overhead**	**Underground**
Disconnect Switch	Required	Required
Protective Device	Required	Required
Pole	Required	Not Required
Conductor[1]	Required	Required

Note[1]: The Distribution Customer must own the conductor from either its Metering Panel or its Protective Device, depending on the Point of Interconnection (POI), which is discussed in the Application Section of the WDT Design Standard and in Figures 1 and 2 below.

Applicants may request a variance from required Intervening Facilities in accordance with the WDT Design Standard. Additional details on Intervening Facilities and the correct application and installation of these facilities are identified in the WDT Design Standard.

12.2.2 Ownership of Intervening Facilities

A Distribution Customer must demonstrate *bona fide* ownership or *bona fide* control of Intervening Facilities by providing information as part of its Application documentation. Such

information or documentation shall be sufficient to demonstrate *bona fide* ownership if it includes a copy of a paid invoice, purchase order, purchase and sale agreement, work order, deed, or construction or other similar documentation demonstrating ownership and indicating ongoing responsibility (*e.g.*, responsibility for operation, maintenance, insurance or self-insurance, and liability) for such Intervening Facilities and assets identified as being required for Distribution Service in the WDT Design Standard. Any portions of such documents supplied by the Distribution Customer that are not relevant to demonstrating the Distribution Customer's ownership may be redacted by the Distribution Customer.

12.2.3 Control of Intervening Facilities

If a Distribution Customer is not going to own the Intervening Facilities required for interconnection under this Tariff, the Distribution Customer must demonstrate *bona fide* control of those Intervening Facilities in advance of initiation of service by including evidence in its Application documentation. Such documentation may be sufficient if it includes a copy of a lease, operating or other agreement between the Distribution Customer and the owner(s) of the Intervening Facilities and that documentation demonstrates that the Distribution Customer has discretion and responsibility to perform, or compel the performance of key maintenance actions and functions necessary to deliver energy to the end use load customers of the Distribution Customer. Documentation must identify the facilities owner and clearly name the Distribution Customer (not the facilities owner) as the responsible party for taking measures necessary to ensure that the Intervening Facilities are operated, maintained, and repaired in accordance with all applicable laws and regulations and Good Utility Practice. A document in which the owner(s) of the facilities grants "control" of the facilities to the Distribution Customer but assigns minimal or no responsibilities or obligations to the Distribution Customer relating to or associated with the facilities, such as maintenance, operation, or insurance (*e.g.*, where the owner(s) maintains these responsibilities despite assigning control to the Distribution Customer), is not a demonstration of *bona fide* control by the Distribution Customer. Any portions of the documents that are not relevant to demonstrating the Distribution Customer's control as described above may be redacted by the Distribution Customer.

12.3 Responsibility for Third-Party Arrangements

Any scheduling arrangements that may be required by end-use customers of the Distribution Customer are the sole responsibility of the Distribution Customer. The Distribution Customer shall provide, unless waived by the Distribution Provider, notification to the Distribution Provider identifying such arrangements so that the Distribution Provider can determine whether the proposed arrangements between the Distribution Customer and the end-use customer can be accommodated. The Distribution Provider will undertake reasonable efforts to assist the Distribution Customer in making such arrangements pursuant to Good Utility Practice.

13. Procedures for Arranging Distribution Service

Interconnection: A Distribution Customer requesting interconnection of a Wholesale Distribution Load to the Distribution Provider's Distribution System shall follow the procedures set forth in Sections 13.1, 13.2, and 13.3 to request interconnection and Distribution Service. A Distribution Customer requesting interconnection of a generating facility shall follow PG&E's Generator Interconnection Study Procedures (GISP) set forth in Attachment K of the WDT to request interconnection at the same time the Distribution Provider shall process such requests concurrently in accordance with the GISP.

13.1 Pre-Application Meeting for Distribution Service

Pre-application meetings are limited to Distribution Customers requesting projects with a Contract Demand of 1 Megawatt (MW) or higher. These Distribution Customers will have an option to have a meeting with PG&E prior to submitting the project application or early in the application process.

The purpose of the pre-application meeting is to identify, at an early stage, any potential constraints to project viability and consider possible alternatives early in the application process. During the meeting, the Distribution Customer and PG&E may discuss: (1) anticipated timing and cost implications associated with the proposed project, including the need for significant new facilities or extensive trenching; and (2) potential design options and alternative interconnection locations based on available system capacity. Distribution Provider may request preliminary

information about the proposed project or the application, including on the requested Contract Demand. There will be no requirement for Distribution Provider to perform site-specific engineering analysis.

Eligible Distribution Customers electing a pre-application meeting will pay PG&E's actual costs incurred for such pre-application meetings and initial analysis based on the actual cost of PG&E personnel time, and the Distribution Customer will provide a $1,500 deposit to be applied to PG&E's actual costs incurred for the pre-application meeting and initial analysis.

13.2 Application

Distribution Customers must submit an Application using the Distribution Provider's designated application process. The designated application process, currently using an internet-based portal hosted by PG&E, will be described on PG&E's website. An Application will be required for all WDT service inquiries including but not limited to permanent removal, service relocation, studies/evaluations, temporary disconnect or shutoff for safety, upgrade or change, and tariff conversion. For further information, email WDTLoadApplication@pge.com.

This application process will provide a date-stamped record for establishing the priority of the Application. The Distribution Provider shall treat all information provided by the Distribution Customer consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

13.3 Application Requirements

An Application will be considered complete when all items required for an Application, including receipt of the nonrefundable $1,500.00 Interconnection Request Fee, are received and deemed valid by Distribution Provider. A detailed checklist of all Application requirements can be found on PG&E's website.

An Application shall provide all basic information required to evaluate a request for Distribution Service. The Application must also include details regarding the project scope; load information; and electrical, civil, and architectural drawings. Distribution Provider will use load information for planning and design purposes, but not to limit or deny the Distribution

Customer's requested Contract Demand.

For interconnections serving a single load (e.g., a single building), Distribution Customers will provide the diversification load sheet as part of the application and provide:

- The expected office/business operating hours during the typical week;

- The maximum coincidental demand expected for the first year of operation of the proposed Point of Delivery (i.e., coincident peak for the Distribution Customer load downstream of the proposed Point of Delivery);

- A description of any Distribution Customer loads downstream of the proposed Point of Delivery that (i) are not coincidental to those loads downstream of the Point of Interconnection operating at peak operating conditions, and (ii) could materially increase the maximum coincidental demand if operated during peak operating hours; and

- A 5-year load forecast, showing monthly usage (kWh), highest demand (kW), monthly load factor (%), annual usage (kWh), and annual load factor (%). This forecast will also include estimated demand (kW) through the day on a peak winter day and peak summer day.

For single load interconnections for applications for a Point of Delivery that is projected to have a peak demand of no greater than 20 kilowatts over the initial five years of the Service Agreement, the four sub-requirements identified above for single load interconnections are not required, except for the requirement to provide a 5-year forecast of highest demand. In addition to the requirement to provide a 5-year forecast of highest demand, for these small loads the Distribution Customer must also provide a completed Interconnection Application; the applicable application fee; the load profile or manufacturer cut sheet for each device; and the site map indicating the device location and connection point.

Applications for a Converting Point of Delivery, which is defined as a point of delivery

currently served at retail by Distribution Provider but that is the subject of a request by a Distribution Customer to be converted to a wholesale interconnection and point of delivery, are exempted from the four sub-bullet requirements identified above for single load interconnections unless seeking to increase Contract Demand above peak values seen in historical usage. If the proposal applies to a Converting Point of Delivery with loads greater than 20 kilowatt (kW), the Contract Demand or expected load shall be equal to the Distribution Customer's peak load as seen in historical data. For customers seeking a contract demand which exceeds historical usage and is greater than 20kW, the requirements listed in the four sub-bullets will be required.

For load interconnections serving multiple loads including large campuses with multiple buildings or redevelopment projects, the Distribution Customer will provide:

- Aggregate load information at the Point of Delivery, including estimated monthly usage, monthly highest demand values, monthly load factors, annual usage, and annual load factor;

- The estimated peak summer and winter loads for the Point of Delivery, and the load shape for the Point of Delivery; and

- The expected number of buildings and the type of occupancy for each building. To the extent information is available, the Distribution Customer will also provide estimated square footage and number of floors for loads behind the Point of Delivery.

For applications for service under the 50 Percent Payment Option for Upgrades specified in section 13.13, Distribution Customers must provide the information for single or multiple points of interconnection, as applicable in the application process set forth above.

The Distribution Provider may also request detailed information about equipment after an Application is deemed complete. Only one Application for Distribution Service per Point of Interconnection can be processed at a time.

While an Application may be deemed complete based on the information contained in the Application itself, other information not addressed in the Application may be required from the

Distribution Customer in order to allow the Distribution Provider to process a Service Agreement. The need for other information may delay processing of the Application and preparation of a Service Agreement. Such other information and issues include further review of information about the site at which service is requested, including but not limited to as land rights and unexpected issues or concerns that arise after a visit to the site.

13.4 Applying for Back-Up Service

PG&E will provide a dedicated circuit to any Distribution Customer who requests an exclusive, redundant feed to serve an existing Point of Delivery. Distribution Customers with a Point of Delivery that is interconnected via a redundant dedicated circuit are permitted to subsequently interconnect additional loads to that circuit and use any available capacity in excess of the Contract Demand on the circuit after submitting an Application to do so. The customer will complete all applicable requirements listed in sections 13.1, 13.2, and 13.3 and note in the Application whether the loads will be "in addition" or "Backup Service" in the "description of operations" section of the Application. Back-up Service will be exempt from Section 10.2.3 (Termination of a Service Agreement for Non-Usage).

When applying for Back-Up Service, the Distribution Customer will specify the level of redundancy, time to switch, and any other technical requirements necessary for the requested service. The Distribution Customer receiving Back-Up Service must also submit a new Application if seeking to increase the Contract Demand of the existing Point of Delivery or if the customer desires to add any new Point of Delivery to the circuit upstream of the meter for WDT service. In this Application, the customer must specify whether to maintain the existing level of backup service or modify it. Any costs associated with increasing the Distribution Customer's load or adding a new delivery point served by the circuit would be treated as Special Facilities and would not be refundable or otherwise reimbursable. Distribution Customer must also enter into an Operating Agreement with PG&E that will govern non-emergency switching operations.

13.5 Response to an Application Completeness

Within fifteen (15) business days of the receipt of an Application, the Distribution Provider shall notify the applicant whether the Distribution Provider considers the applicant to be

an Eligible Customer under Section 2.21 and whether the Application has been deemed complete.

If the Distribution Provider deems the Application incomplete, the Distribution Provider shall identify all known missing information or deficiency in the Application and notify the applicant. The applicant may then submit additional material or information to the Distribution Provider. If forty-five (45) business days pass after receiving notification that its Application is incomplete and the applicant has not provided the missing materials, the Distribution Provider shall treat the Application as withdrawn.

Within fifteen (15) business days of receipt of any additional material or information, the Distribution Provider shall notify the applicant to advise the applicant as to whether the Application has been deemed complete. If the Distribution Provider deems the Application still incomplete after the receipt of additional material or information, the Distribution Provider shall identify the missing information or deficiency in that notice. To the extent the Distribution Provider identifies any missing information or deficiency that was not identified in its response to the original Application, the Distribution Customer shall have forty-five (45) days to provide that missing information or correct that deficiency. Upon receipt of a revised Application that the Distribution Provider deems complete, the Application shall be assigned a new priority consistent with the date that the revised Application was deemed complete.

13.6 Response to an Application Need for System Impact Study

Following a determination by the Distribution Provider that an Application is complete, the Distribution Provider shall make a determination of available transmission and distribution capability as required in Section 11.2, Determination of Available Distribution Capability. The Distribution Provider shall notify the Eligible Customer as soon as practicable, but not later than thirty (30) business days after the date the Eligible Customer is notified that the Application is complete , whether the Distribution Provider will be able to provide service without performing a System Impact Study or whether such a study is needed to evaluate the impact of the Initial Application pursuant to Section 13. Responses by the Distribution Provider must be made as soon as practicable to all Initial Applications (including applications by its own merchant

function) and the timing of such responses must be made on a non-discriminatory basis.

13.7 Service Agreements

The Distribution Provider shall offer a draft of the standard form Service Agreement (Attachment A) and a draft Interconnection Agreement to a Distribution Customer within forty-five (45) business days after the Distribution Provider deems the Distribution Customer's Application to be complete, provided that the Distribution Provider determines that a System Impact Study is not required and provided that a site visit or other detailed review of the work site does not reveal conditions that were previously unknown or not contemplated when the Initial Application was deemed complete or when the interconnection project was designed or estimated. In cases where a System Impact Study (and, if necessary, a Facilities Study) is required or where previously unknown or uncontemplated conditions are revealed, the provisions of Section 14 will govern the timing of the tender of the draft Service Agreement by the Distribution Provider. The Distribution Provider shall complete any necessary System Impact Study and Facilities Study before providing a draft Service Agreement to the Distribution Customer and before requiring any payment of a cost estimate for the interconnection project.

For any Point of Delivery that is moving from an existing Service Agreement under this Tariff to service under a new Service Agreement under this Tariff, the Distribution Provider will offer a draft of the new Service Agreement within forty-five (45) business days of receiving an Initial Application so long as the requirements under the new Service Agreement do not trigger a System Impact Study or Facilities Study, modification to the Distribution Provider's Distribution Facilities, or new Intervening Facilities.

The draft Service Agreement will contain a nonbinding cost estimate for the interconnection project. The Distribution Provider shall develop the total estimated cost of the project design using the WDT Unit Cost Guide. The Distribution Provider will include a breakdown of the nonbinding cost estimate, by unit cost and asset type, when it provides the draft Service Agreement to the Distribution Customer. The Distribution Provider will perform engineering and design work only after the Distribution Customer has executed and paid the estimated costs in the Service Agreement.

13.8 Execution of Service Agreement

Executed Service Agreements that contain the information required under this Tariff shall be reported to or filed with the Commission in compliance with applicable Commission regulations. Similarly, executed Interconnection Agreements that contain the information required under this Tariff and that are required for Distribution Service under this Tariff shall be reported to or filed with the Commission in compliance with applicable Commission regulations.

Failure of a Distribution Customer to, within ninety (90) calendar days after the draft Service Agreement and invoice for required payment are tendered by the Distribution Provider, either execute and return an execution-ready Service Agreement along with the required payment and Interconnection Agreement or submit the required payment and request the filing of an unexecuted Service Agreement and Interconnection Agreement pursuant to Section 11.3, will be deemed a withdrawal and termination of the Initial Application. Nothing herein limits the right of a Distribution Customer to file another Application after such withdrawal and termination.

If the Distribution Customer has not entered into an Engineering and Procurement Agreement prior to the Service Agreement, the Distribution Customer shall have the option of either (1) paying the Service Agreement's nonbinding cost estimate upon executing the Service Agreement, or (2) paying an Engineering Advance upon executing the Service Agreement. An Engineering Advance shall be equal to twenty (20) percent of the nonbinding cost estimate of the project design contained in the Service Agreement. An Engineering Advance may take the form of (1) a check deposit; (2) electronic payment via ACH or wire; or (3) the posting of Interconnection Financial Security, as provided under Section 13.6.1

If the Distribution Customer has entered into an Engineering and Procurement Agreement prior to the Service Agreement, the Distribution Customer shall pay the Service Agreement's nonbinding cost estimate upon executing the Service Agreement.

13.8.1. Interconnection Financial Security

The Interconnection Financial Security posted by a Distribution Customer may be any combination of the following types of financial instruments, provided in favor of the Distribution

Provider:

(i) An irrevocable and unconditional letter of credit issued by a bank or financial institution that has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;

(ii) An unconditional and irrevocable guaranty issued by a company has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;

(iii) A cash deposit standing to the credit of the Distribution Provider and in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to the Distribution Provider.

To the greatest extent possible, the Distribution Customer will use industry standard forms for the instruments of Interconnection Financial Security used in this Section, such as standard forms used within the financial and electrical industries. The instruments of Interconnection Financial Security listed in this Section shall be in such form and format as the Distribution Provider may reasonably require from time to time by notice to Distribution Customers, or in such other form as has been evaluated and approved as reasonably acceptable by the Distribution Provider.

If at any time the guarantor of the Interconnection Financial Security fails to maintain the credit rating required by this Section, the Distribution Customer shall provide to the Distribution Provider replacement Interconnection Financial Security that meets the requirements of this Section within five (5) business days of the change in credit rating.

13.9 Notice of Application Process Delays

The Distribution Provider shall receive, process, and analyze all Applications in a timely manner as set forth in this Tariff. The Distribution Provider shall use the same reasonable efforts in processing and analyzing Applications from all Distribution Customers. If for any reason the Distribution Provider is not able to meet the timeline in this Tariff, in advance of any Tariff deadline the Distribution Provider must provide written notice to the Distribution Customer of the delay and provide a schedule identifying when the Distribution Provider expects to meet the milestone. Tariff milestones include: Application completeness determination; the review of

availability of distribution capacity; tendering System Impact Study plan, if necessary; tendering the System Impact Study report, if necessary; tendering the Facilities Study plan, if necessary; tendering the Facilities Study report, if necessary; completion of engineering and design work; and tendering a Service Agreement.

13.10 Construction Initiation

No later than twenty-four (24) months after the Distribution Provider completes the Engineering and Design Work in Section 14.6.2, the Distribution Customer shall initiate construction and be ready to take Distribution Service immediately upon construction completion to ensure efficient use of facilities and system capacity, avoid permit re-application costs due to permit expiration and material and labor cost increases, and avoid conflicts that may arise with design standard changes. If the Distribution Customer fails to initiate construction demonstrating substantive progress and to provide the Distribution Provider a reasonable estimated completion date within twenty-four (24) months of the Distribution Provider's completion of Engineering and Design Work in Section 14.6.2, the Distribution Provider will notify the Distribution Customer that the Agreement will be terminated pending FERC acceptance of such termination. Nothing in this provision prohibits the Distribution Customer from re-submitting an Application for service pursuant to the terms of this Tariff.

13.11 Real Power Losses

Real Power Losses are associated with all distribution service. The Distribution Provider is not obligated to provide Real Power Losses. The Distribution Customer is responsible for replacing losses associated with all Distribution Service as calculated by the Distribution Provider. Real Power Losses associated with Distribution Service are calculated by multiplying the metered quantity, whether energy or demand, by the Real Power Loss Factor calculated by the Distribution Provider. The applicable Real Power Loss Factors for Distribution Service over the Distribution System will be set forth in the Service Agreement.

13.12 True-up of Interconnection Project Costs

Within 180 calendar days of the energization date of the interconnection project, the

Distribution Provider shall true-up the actual costs of the project design and refund or bill the Distribution Customer for the difference between the estimated and actual costs, except for load Points of Interconnection with a final estimate below $100,000. Points of Interconnection with final estimates below $100,000 will only pay, and be refunded for, costs associated with the final estimate. Along with such true-ups, the Distribution Provider shall provide documentation that includes, at minimum, information that breaks down the work involved by type of activity performed by the Distribution Provider, components installed by the Distribution Provider, materials used and labor performed by the Distribution Provider, and size of project. The Distribution Customer is responsible for 100 percent of estimated and final costs of the interconnection project costs, except for some Distribution Customers applying for load service, as provided in this tariff.

13.13 Distribution Customer Responsibility for Upgrade Costs for Load Interconnections

The Distribution Customer is responsible for 100 percent of estimated and final Upgrade Costs pursuant to section 13.13.1, except for those Distribution Customers opting for the 50 Percent Payment Option under Section 13.13.2, or points of interconnection where the final estimate is less than $100,000. Customers with points of interconnection where the final estimate combined for both Upgrade Costs and Direct Assignment Facilities Costs is below $100,000 will only be responsible for the final estimated cost pursuant to section 13.13.1. Both primary and secondary voltage Points of Delivery will be required to pay the Upgrade Costs, and shall be subject to the provisions of this section 13.13. The Distribution Customer must elect one of these options (either Section 13.13.1 or Section 13.13.2) after PG&E completes Engineering and Design Work pursuant to Section 14.6.2.

13.13.1 Refunds for Distribution Upgrades for Load Interconnection Projects

For load interconnection projects with Upgrades that do not select the 50 Percent Payment option (Section 13.13.2), the Distribution Customer is eligible for a refund of Upgrade Costs, as provided under this Section 13.13.1. Distribution Customers must pay all estimated and final Upgrade Costs to be eligible for refund, except points of

interconnection where the final estimate combined for both Upgrade Costs and Direct Assignment Facilities Costs is less than $100,000, in which case customers are only responsible to pay 100 percent of the final estimated cost to be eligible for refund.

Upgrade Costs are eligible for refund beginning upon final true-up or 6 months after energization, whichever comes first, even if the final true-up or the 6 months after energization occurs after the modification, replacement, or termination of the WDT4 as provided in section 2.20. If the final estimate for the point of interconnection is below $100,000 combined for both Upgrade Costs and Direct Assignment Facilities Costs, the distribution upgrade costs will be eligible for refund at the first refund review period following energization. Projects that require Upgrades and Direct Assignment Facilities with final estimates at or above $100,000 in combined Upgrades and Direct Assignment Facilities Costs will receive financial true-ups to actual costs. Where true-ups are conducted, PG&E will provide a breakdown of costs that separately provide the amounts attributable to Upgrades and Direct Assignment Facilities. If the true-up extends beyond six months after energization, the true-up may include an additional refund based on load achieved as of the last refund review period. Future refund periods will be based on final true-up costs and will deduct amounts already refunded. If final true-up of Upgrade Costs is more than final estimate, the difference will be added to amount eligible for refund. If a refund has already been issued for achieving load, a proportion of the difference between final estimate and true-up cost will be given as a refund, based on the amount of load achieved. If final true-up cost is less than final estimate, and a refund has already been given for achieving load, the Distribution Customer is only eligible to receive up to the total Upgrade Cost based on the final true-up.

Determinations of the amount of Upgrade Costs eligible for refund under this section shall be determined based on peak load achieved, as calculated using PG&E metering at standard metering and billing intervals. The Non-Coincident Peak Load of the highest 3-months over the 12-month annual review period will be averaged to determine the peak load achieved, in kW. The annual review period will be defined as the calendar year.

Subject to the cap provided in this section, the Distribution Customer shall receive a full refund of the paid Upgrade Costs if the peak load achieved, in kW, reaches 80 percent of its Contract Demand during the annual review periods within the applicable Refund Review Period specified below. The capacity achieved will include any capacity returned to PG&E by mutual agreement. Specifically, at any time, PG&E may elect and the customer may agree in writing, that any portion of the Contract Demand in the Service Agreement be returned to PG&E at no cost to PG&E; this returned capacity will be treated as Contract Demand achieved for the purposes of the calculation of the refund.

If the Distribution Customer achieves less than 80 percent of Contract Demand as provided in the applicable Service Agreement, including any capacity returned to PG&E, by the end of the annual review period, the final refund amount will be proportionally adjusted. PG&E will divide the average peak load value achieved during the highest 3 months of the 12-month annual review period and any Contract Demand returned to PG&E by the Contract Demand as provided in the applicable Service Agreement, and then divide the quotient by 0.8. This value will then be multiplied by the Distribution Customer's Upgrade Costs and subjected to a maximum cap to determine the final refund.

For each year during the Refund Review Period where the Distribution Customer Achieves less than 80 percent of Contract Demand, the formula for proportional refunds is as follows: (((Average of the highest 3 months' peak load + Contract Demand returned to PG&E)/ Contract Demand)/0.8) x Capped Upgrade Costs.

The total refunds to be provided to a Distribution Customer of the Upgrade Costs shall be capped and a full refund, subject to the review above, will be no more than the lesser of: 1) the amount of Upgrade Costs paid by the Distribution Customer, or 2) a cap of $750,000 for loads where Contract Demand is less than 1 MW and a cap of $930,000 per MW of Contract Demand (applied on a prorated basis where Contract Demand is not a whole number) for loads where Contract Demand is equal to or greater than 1 MW. PG&E will not be responsible to refund or pay more than these provided caps for Upgrades, and any additional Upgrade Costs beyond these provided caps will be the

responsibility of the Distribution Customer.

Subject to and limited by the Refund Review Period detailed below, eligible refunds will be issued after the end of each calendar year. Subject to and limited by the Refund Review Period and refund cap, for each eligible calendar year, the Distribution Customer will be eligible to receive refunds for any additional load achieved compared to the prior year. Once the customer has received an 100 percent refund of paid Upgrade Costs, or reached the cap, the customer will not be eligible for further refund.

The ability for a Distribution Customer to obtain a refund of Upgrade Costs will be limited in time. The total Refund Review Period in which PG&E will be required to perform an annual refund calculation and issue a refund will depend on Contract Demand, as described below. Specifically, a Distribution Customer is eligible for a refund over the following periods:

- For total Contract Demand of less than 1 megawatt (MW), PG&E will conduct a review and provide refunds for the initial 4 years of the Service Agreement.

- For total Contract Demand between 1-5 megawatt (MW), PG&E will conduct a review and provide refunds for up to a total of 5 years.

- For total Contract Demand greater than 5 megawatt (MW), PG&E will conduct a review and provide refunds for up to a total of 8 years.

After the end of the Refund Review Period, PG&E will not provide, and the Distribution Customer is not entitled to receive, any refunds of Upgrade Costs.

For the avoidance of doubt, and notwithstanding Section 2.20 or any expiration, termination, modification, or replacement of this Tariff, including the transition to any successor Wholesale Distribution Tariff, the Distribution Provider’s obligation to calculate and provide refunds of Upgrade Costs under this Section 13.13.1 shall continue in effect for the full applicable Refund Review Period for each interconnection project.

Refund eligibility, calculation, and payment shall be governed by this Section 13.13.1 for each project based on the terms in effect at the time the Service Agreement was executed, regardless of whether energization, true-up, or any portion of the applicable Refund Review Period occurs after the expiration or replacement of this Tariff.

13.13.2 "50 Percent Payment" Option

A Distribution Customer electing this option instead of the option in Section 13.13.1. shall pay half of the Upgrade Costs attributable to the interconnection project, subject to the cap described in this Section 13.13.2. A Distribution Customer electing this option will forego any refunds provided through the mechanism discussed in Section 13.13.1 and will not be eligible for the option under Section 13.13.3.

The maximum amount of Upgrade Costs PG&E will incur (the portion of Upgrade costs not paid by the Distribution Customer) will be subject to a total cap of $750,000 for loads with Contract Demand less than 1 Megawatt (MW). For loads equal to or greater than 1 Megawatt (MW), the maximum amount of Distribution Upgrade costs PG&E will incur will be $930,000 per MW of Contract Demand (applied on a prorated basis where Contract Demand is not a whole number). ITCC is included in the costs subject to the cap. If the Upgrade Costs exceed the cap plus the Distribution Customer's 50 percent share of the Upgrade Costs, the Distribution Customer shall be responsible for: 1) the 50 percent share of the Upgrade Costs; and 2) the amount of the costs in excess of the cap.

As applicable, Distribution Customers selecting this option must provide information needed for single or multiple points of interconnection. These projects are not permitted to provide the streamlined application information that are available under Section 13.3 for small loads or points of delivery to be converted.

At any time, PG&E may elect, and the customer may accept, to lower the Contract Demand provided for in the Service Agreement.

13.14 Distribution Customer Responsibility for Direct Assignment Facilities Costs for Load Interconnection Customers

Distribution Customers will pay the full amount of Direct Assignment Facilities Costs, but those costs are eligible for refund with certain limitations, as provided in this Section 13.14. Customers with final estimates below $100,000 in combined Direct Assignment Facilities and Upgrades Costs will pay final estimated Direct Assignment Facilities Costs only. PG&E will establish a fixed annual pool of $2.5 million for all Distribution Customers, which shall be used to provide refunds to Distribution Customers for Direct Assignment Facilities Costs for which there is a final contract, and for which a final estimate, and a final true-up, when applicable, has been completed and paid. The pool value for 2025 will be prorated to $1.46 million. The amount of Direct Assignment Facilities Costs, and the amounts subject to refund under the annual pool amount, includes the capital costs, cost of ownership, and ITCC costs paid by interconnection customers to PG&E for Direct Assignment Facilities. Customers opting for monthly COO will only be eligible for reimbursement of funds from the annual pool during the reimbursement period following their energization and payment of costs. To the extent that the Distribution Customer owes PG&E interest for late payment associated with any Direct Assignment Facilities Costs, that interest is not eligible for any refund under this Section 13.14.

Upon payment of both final estimate and final true-up, each of these respective payments are eligible for the fixed annual pool covering the year of the estimate and true-up, respectively. Projects with final estimates at or above $100,000 in combined Upgrades and Direct Assignment Facilities Costs will receive final true-ups to actual costs. Where true-ups are conducted, PG&E will provide a breakdown of costs that separately provide the amounts attributable to Upgrades and Direct Assignment Facilities. If final true-up costs are greater than final estimate, these additional costs will be considered in the applicable Annual Refund Pool in the year they are paid. If final true-up costs are lower than the final estimate, final estimated costs will be included in the Annual Refund Pool when paid and no further action or refund will be provided for the final true-up costs.

PG&E will allocate to each Distribution Customer a pro rata portion of the annual pool amount. If the total of all eligible Distribution Customers' Direct Assignment Facilities Costs do not exceed $2.5 Million, each Distribution Customer will receive a full refund of their Direct

Assignment Facilities Costs. If the total of all eligible Distribution Customers' Direct Assignment Facilities Costs exceed $2.5 Million, each Distribution Customer's refund will be determined by dividing the customer's total Direct Assignment Facilities Costs for the year by the total of all Distribution Customers' Direct Assignment Facilities Costs for the year and then multiplying by $2.5 million.

The formula is as follows: Customer-Specific Allocation = Total Amount of DAF Costs Paid by Distribution Customers Not to Exceed $2.5 million x (Customer's DAF Costs in the Applicable Year) / (Total of All Customers' DAF Costs in Applicable Year).

For points of interconnection where final estimated costs are $100,000 or more in combined Direct Assignment Facilities and Upgrades Costs, Distribution Customers will pay the estimated and final costs for their Direct Assignment Facilities up front as these costs are invoiced throughout the year. For points of interconnection where the final estimated costs are below $100,000 in combined Direct Assignment Facilities and Upgrades Costs, the Distribution Customers will only pay the final estimated costs. These costs are not eligible for refund until paid.

Following the end of each calendar year, PG&E will return to each Distribution Customer the Direct Assignment Facilities Costs up to, but not exceeding, its pro-rata portion of the annual pool of $2.5 million, or the total of the Customer's Direct Assignment Facilities Costs, whichever is less, as a bill credit in one month.

To the extent that the sum of all Distribution Customer's allocations total to less than $2.5 million, the remaining amount of the $2.5 million annual pool would be forfeited for that year and will not carry forward to be included in the annual pool in the next year.

To the extent that the sum of all Distribution Customer's allocation totals more than the $2.5 million annual pool, the costs exceeding the $2.5 million annual pool are not eligible for credit or refund. Any Direct Assignment Facility Costs exceeding $2.5 million are the responsibility of the respective Distribution Customer and those Direct Assignment Facility Costs are not eligible for refund or credit.

Eligible pool allocations are paid by PG&E only upon energization, as a bill credit. Eligible pool allocations are paid by PG&E upon energization. To the extent that energization of the Direct Assignment Facility occurs after the expiration, termination, modification, or replacement of this Tariff as provided for under section 2.20, any refund amounts previously allocated or subsequently determined under this Section 13.14 shall remain payable to the Distribution Customer in accordance with this Section.

13.15 Distribution Customer Responsibility for Special Facilities Costs

The Distribution Customers seeking to interconnect load will be responsible for the costs of Special Facilities, and the costs of Special Facilities shall not be subject to refunds. The Distribution Customer shall also be responsible for the Cost of Ownership charge for Special Facilities.

13.16 Distribution Customer Responsibility for Back-Up Service Costs

The Distribution Customer will be directly assigned the cost of all facilities needed to establish and provide Back-Up Service, including Cost of Ownership, consistent with Section 13.15's provision on Distribution Customer Responsibility for Special Facilities Costs. Costs associated with any Upgrades that are identified as necessary to provide service via a redundant feed, whether initially or subsequently (e.g., by adding new loads or by increasing Contract Demand), will be directly assigned to the Distribution Customer. Any portion of the Upgrades dedicated to exclusive use by the Distribution Customer (as reflected by the capacity of the exclusive redundant feeder) will be subject to Cost of Ownership and not refundable under section 13.13 or 13.14 or any other section of the tariff.

The Distribution Customer must submit a new Application to increase the Contract Demand for any Back-Up Service and/or to add any new Point of Delivery to a redundant feed or Back-Up Service circuit. Cost responsibility for such new application would be governed by Section 13.15.

13.17 Option for Alternative Timeline for Interconnections

If the Distribution Provider and Distribution Customer agree in writing to alternative timelines and/or milestones for any interconnection project, they can rely upon those instead of the standard timelines and/or milestones described in the Tariff.

14. Additional Study Procedures for Distribution Service

14.1 Notice of Need for System Impact Study

After receiving an Application, the Distribution Provider shall determine whether a System Impact Study is needed. If the Distribution Provider determines that a System Impact Study is necessary to determine whether it can accommodate the requested Distribution Service, it shall inform the Distribution Customer no later than thirty (30) business days after the Initial Application is deemed complete. The Distribution Provider may determine that additional information from the Distribution Customer is necessary to develop the System Impact Study plan. The Distribution Provider will request the additional information from the Distribution Customer and the Distribution Customer shall provide the requested information within forty-five (45) business days of being notified of that need by the Distribution Provider. If the Distribution Customer does not provide the requested information within forty-five (45) business days, the Initial Application will be considered withdrawn.

In cases where additional information has been requested and supplied, the Distribution Provider shall, within thirty (30) business days of receiving such additional information, tender a draft System Impact Study Agreement. In cases where additional information is unnecessary, the Distribution Provider shall, within thirty (30) business days of notifying the Distribution Customer that its Application is deemed complete, tender a draft System Impact Study Agreement. In both cases, in order to proceed with the processing of its Initial Application for Distribution Service, the Distribution Customer shall agree to reimburse the Distribution Provider for performing the required System Impact Study. For a service request to remain an Initial Application, the Distribution Customer shall execute the System Impact Study Agreement and return it, along with payment for estimated costs to perform the System Impact Study, to the Distribution Provider within thirty (30) business days of receipt.

14.2 System Impact Study Agreement and Cost Reimbursement

(i) The System Impact Study Agreement will clearly specify the Distribution Provider's estimate of the cost and time for completion of the System Impact Study. In performing the System Impact Study, the Distribution Provider shall rely, to the extent reasonably practicable, on existing studies. The Distribution Customer will not be assessed a charge for such existing studies; however, the Distribution Customer will be responsible for charges associated with any modifications to existing studies that are reasonably necessary to evaluate the impact of the Distribution Customer's request for service on the Distribution Provider's facilities. Within 180 days of completion of the System Impact Study, the Distribution Provider shall true-up the actual costs of the System Impact Study and refund to or bill the Distribution Customer for the difference between the estimated and actual costs.

(ii) If in response to multiple Distribution Customers requesting service in relation to the same competitive solicitation, a single System Impact Study should be sufficient for the Distribution Provider to accommodate the requests for service and the costs of that study shall be pro-rated among the Distribution Customers.

(iii) Accounting for the Distribution Provider’s Study Costs and Revenues: The Distribution Provider shall include in a separate transmission or distribution operating expense account or subaccount, as appropriate, costs properly chargeable to expense that are incurred to perform any System Impact Studies or Facilities Studies which the Distribution Provider conducts to determine if it must construct Distribution System facilities or Upgrades necessary for its own uses under this Tariff, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Distribution Customer’s billing under the Tariff.

14.3 System Impact Study Procedures

Upon receipt of payment for costs described above and an executed System Impact Study Agreement, the Distribution Provider will use due diligence to complete the required System Impact Study within a sixty (60) business day period. A copy of the completed System Impact Study shall be sent to the Eligible Customer upon completion of the System Impact Study by the Distribution Provider. The Distribution Customer shall notify the Distribution Provider of any errors in the System Impact Study, including, but not limited to, discrepancies between the Application and System Impact Study. PG&E shall correct any such errors and provide a corrected System Impact Study within fifteen (15) calendar days of the Distribution Customer providing notice of such errors. Upon request by either the Distribution Customer or the Distribution Provider, the parties shall convene a technical meeting to address questions about the System Impact Study or errors in the System Impact Study. Only one System Impact Study per one Point of Interconnection can be processed at a time. The Distribution Provider will use the same due diligence in completing the System Impact Study for an Distribution Customer as it uses when completing studies for itself. The System Impact Study shall identify any Distribution System constraints and redispatch options, and state whether any additional Direct Assignment Facilities or Upgrades may be required to provide the requested Distribution Service. The Distribution Provider shall notify the Distribution Customer immediately upon completion of the System Impact Study if the Distribution Provider's Facilities will be adequate to accommodate the request for Distribution Service (*i.e.*, there is no need for additional Distribution Facilities or Upgrades to existing facilities). In such a case, a Facilities Study is not required, and the Distribution Provider shall send the Distribution Customer a draft Service Agreement as soon as practicable, but no later than thirty (30) business days after the completed System Impact Study has been sent to the Distribution Customer. Therefore, in order for the Distribution Provider to proceed with the request for Distribution Service, within ninety (90) calendar days of receipt of the draft Service Agreement and invoice for the required payment, the Distribution Customer must execute the Service Agreement and submit the required payment or must submit the required payment and request the filing of an unexecuted Service Agreement pursuant to Section 11.3, or the Application shall be deemed terminated and withdrawn.

14.4 Facilities Study Procedures

If a System Impact Study indicates that Upgrades to the Distribution Facilities are needed to meet the Distribution Customer's Distribution Service request, the Distribution Provider, within thirty (30) business days of the completion of the System Impact Study, shall tender to the Distribution Customer a draft Facilities Study Agreement pursuant to which the Distribution Customer shall agree to reimburse the Distribution Provider for performing the required Facilities Study. In order for the Distribution Provider to develop the Facilities Study Agreement, additional project information may be necessary. The Distribution Provider shall request such additional information within fifteen (15) business days after the System Impact Study has been completed. The Distribution Customer shall provide such additional information within forty-five (45) business days. If the Distribution Customer does not provide the requested information within forty-five (45) business days, the Initial Application will be considered withdrawn.

If additional information has been provided, the Distribution Provider has thirty (30) business days from receipt of such information to provide the Facilities Study Agreement. In order for the Distribution Provider to continue processing the request for Distribution Service, the Distribution Customer shall execute the Facilities Study Agreement and return it to the Distribution Provider, along with the estimated costs to perform the Facilities Study within fifteen (15) business days. Alternatively, if within fifteen (15) business days the Distribution Customer requests the Distribution Provider to proceed with the Facilities Study and commits to abide by the terms, conditions, and cost assignments ultimately determined under the Dispute Resolution Procedures, including any determination by FERC or appeal of a FERC determination in accordance with that process, the Distribution Provider shall promptly proceed with the Facilities Study, and the parties shall submit the disputed terms for resolution under the Dispute Resolution Procedures. If the Distribution Customer elects not to execute the Facilities Study Agreement, its Application shall be deemed withdrawn. Upon receipt of payment described above and an executed Facilities Study Agreement, the Distribution Provider will use due diligence to complete the required Facilities Study within a sixty (60) business day period. If the Distribution Provider is unable to complete the Facilities Study in the allotted time period, in advance of sixty (60) business days the Distribution Provider shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an

explanation of the reasons that additional time is required to complete the study. A copy of the completed Facilities Study shall be sent to the Distribution Customer upon completion of the Facilities Study by the Distribution Provider. The Distribution Customer shall notify the Distribution Provider of any errors in the Facilities Study, including, but not limited to, discrepancies between the Application or System Impact Study and Facilities Study. PG&E shall correct any such errors and provide a corrected Facilities Study within fifteen (15) calendar days of the Distribution Customer providing notice of such errors. Upon request by either the Distribution Customer or the Distribution Provider, the parties shall convene a technical meeting to address questions about the Facilities Study or errors in the Facilities Study. Only one Facilities Study per one Point of Interconnection can be processed at a time. When completed, the Facilities Study will include a good faith estimate of: (i) the cost of new Direct Assignment Facilities to be charged to the Distribution Customer; (ii) the Eligible Customer's appropriate share of the cost of any required Upgrades as determined pursuant to the provisions of this Tariff; and (iii) the estimated time required to complete such construction and initiate the requested service. In order to proceed, the Distribution Customer shall pay for or provide the Distribution Provider with a letter of credit or other reasonable form of security acceptable to the Distribution Provider equivalent to the costs of new facilities or Upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Distribution Provider shall send the Distribution Customer a draft Service Agreement as soon as practicable, but no later than thirty (30) business days after the Distribution Provider receives the letter of credit or other reasonable form of security acceptable to the Distribution Provider. The Distribution Customer shall have ninety (90) calendar days from receipt of draft Service Agreement and invoice for required payment to execute and return a Service Agreement along with the required payment or to submit the required payment and request the filing of an unexecuted Service Agreement in accordance with Section 11.3 and provide the required letter of credit or other form of security. If the Distribution Customer fails to do so, the request will no longer be an Initial Application and shall be deemed terminated and withdrawn.

Within 180 calendar days of completion of the Facilities Study, the Distribution Provider shall true-up the actual costs of the Facilities Study and refund to or bill the Distribution Customer for the difference between the estimated and actual costs. Alternatively, the

Distribution Customer and Distribution Provider may agree to true-up the actual costs of the Facilities Study as part of the final true-up.

14.5 Facilities Study Modifications

Any change in design arising from inability to site or construct facilities as originally proposed or contemplated will require development of a revised good faith estimate by the Distribution Provider. New good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction of facilities or other circumstances beyond the control of the Distribution Provider that significantly affect the final cost of Upgrades to be charged to the Distribution Customer pursuant to the provisions of this Tariff.

14.6 Engineering and Design Process

14.6.1 Optional Engineering and Procurement ("E&P") Agreement

Prior to executing a Service Agreement, a Distribution Customer may, in order to advance the implementation of its requested interconnection, request an E&P Agreement that authorizes Distribution Provider to begin engineering and design work, as described in Section 14.6.2 and procurement of long lead-time items necessary for the establishment of the interconnection. The Distribution Provider shall provide an E&P Agreement upon such a request. However, Distribution Provider shall not be obligated to offer an E&P Agreement if the Application has not been deemed complete or if any necessary System Impact Study and/or Facilities Study have not yet been completed. The E&P Agreement is an optional procedure and it will not alter distribution service priority, as described in Section 10.3.

The E&P Agreement shall include an estimated date for completion of engineering and design work. If the Distribution Provider is unable to meet this estimated completion date, it shall provide the Distribution Customer with an updated estimated completion date at least fifteen (15) calendar days prior to the initial estimated completion date.

The E&P Agreement shall provide for the Distribution Customer to pay the cost of all activities authorized by Distribution Customer and to make advance payments or provide other

satisfactory security for such costs. The E&P Agreement will specify the Distribution Provider's estimate of the cost for completion of engineering and design work, and the Distribution Customer must pay the estimated cost of engineering and design work before the Distribution Provider commences such work. This payment may take any of the forms acceptable for payment of an Engineering Advance, as defined in Section 13.6. If the Distribution Customer ultimately executes a Service Agreement, its E&P Agreement payment will be applied to the Service Agreement's nonbinding cost estimate and credited toward the final project interconnection costs. If the Distribution Customer does not ultimately execute a Service Agreement, the Distribution Provider shall true-up the actual costs of work performed under the E&P Agreement and refund or bill the Distribution Customer for the difference between the amount paid under the E&P Agreement and actual costs.

In order for the Distribution Provider to procure equipment pursuant to the E&P Agreement, the Distribution Customer must first approve the procurement of any equipment and must pay the estimated cost of such authorized activities. If Distribution Customer withdraws its Application or either Party terminates the E&P Agreement, Distribution Provider will make best efforts to return the equipment ordered on behalf of the Distribution Customer and seek a full refund. To the extent the equipment ordered cannot be returned without paying cancellation costs, Distribution Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled or returned for a full refund, the Distribution Customer may: 1) elect to take title to the equipment, in which case the Distribution Provider shall deliver such equipment to the Distribution Customer and the Distribution Customer shall pay the Distribution Provider any unpaid balance and cost of delivery of such equipment or; 2) offer to sell the equipment to the Distribution Provider. If the Distribution Customer opts to offer to sell the equipment to the Distribution Provider and the Distribution Provider refuses the offer and does not want to purchase the equipment, then the Distribution Customer must take title to, and delivery of, the equipment and the Distribution Customer shall pay to the Distribution Provider any unpaid balance and cost of delivery of such equipment.

The Distribution Provider shall send the Distribution Customer a draft Service Agreement as soon as practicable, but no later than thirty (30) calendar days after completion of

work authorized by the E&P Agreement. Upon receipt of the draft Service Agreement and invoice for required payment, the Distribution Customer shall have ninety (90) calendar days to either (1) execute the Service Agreement and submit the required payment in accordance with Section 13.6, or (2) submit the required payment and request the filing of an unexecuted Service Agreement in accordance with Section 11.3.

14.6.2 Engineering and Design Work

Engineering and design work shall be performed by the Distribution Provider either (1) under an E&P Agreement requested by the Distribution Customer pursuant to Section 14.6; or, (2) if no E&P Agreement has been requested, after receipt of the executed Service Agreement and the associated payment. The Distribution Provider will schedule such engineering and design work as it would a Native Load Customer. Anytime during the engineering and design process the Distribution Provider may request additional information from the Distribution Customer. The Distribution Customer will provide such requested information within forty-five (45) business days. The Distribution Provider and the Distribution Customer will work cooperatively during the engineering and design process.

Upon receipt of the executed Service Agreement and associated payment, the Distribution Provider will use due diligence to complete the engineering and design work within a one hundred and eighty (180) calendar day period. If the Distribution Provider is unable to complete the engineering and design work in the allotted time period, it shall provide the Distribution Customer with an updated estimated completion date at least fifteen (15) calendar days prior to the end of the one hundred and eighty (180) calendar days period, along with an explanation of the reasons that additional time is required to complete the study. As soon as practicable after beginning engineering and design work, the Distribution Provider shall inform the Distribution Customer of the location of the point of common coupling and the equipment to be installed at that location. The Distribution Provider shall promptly inform the Distribution Customer of any changes to this information. Following the completion of engineering and design work pursuant to this section, load Distribution Customers must elect one of the options described in section 13.13.1 or13.13.2 with respect to any Upgrades.

14.7 Due Diligence in Completing New Facilities

The Distribution Provider shall use due diligence to add necessary facilities or Upgrade its Distribution Facilities within a reasonable time. The Distribution Provider will not Upgrade its existing or planned Distribution System in order to provide the requested Distribution Service if doing so would impair system reliability or otherwise impair or degrade existing service.

14.8 Partial Interim Service

If the Distribution Provider determines that it will not have adequate distribution capability to satisfy the full amount of a Completed Application for Distribution Service, the Distribution Provider nonetheless shall be obligated to offer and provide the portion of the requested Distribution Service that can be accommodated. However, the Distribution Provider shall not be obligated to provide the incremental amount of requested Distribution Service that requires the addition of Distribution Facilities or Upgrades until such Facilities or Upgrades have been placed in service.

15. Inability of Distribution Provider to Complete New Facilities

15.1 Delays in Construction of New Facilities

If any event occurs that will materially affect the time for completion of new Distribution Facilities, or the ability to complete them, the Distribution Provider shall promptly notify the Distribution Customer. In such circumstances, the Distribution Provider shall, within thirty (30) calendar days of notifying the Distribution Customer of such delays, convene a technical meeting with the Distribution Customer to evaluate the alternatives that satisfy the requirements of the Tariff and that are available to the Distribution Customer. The Distribution Provider also shall make available to the Distribution Customer any studies and work papers that have been prepared by Distribution Provider related to the delay that, in the sole opinion of the Distribution Provider, may be needed by the Distribution Customer to evaluate any alternatives.

15.2 Alternatives to the Original Facility Additions

When the review process of Section 15.1 determines that one or more alternatives to the originally planned construction project exist and that satisfy the requirements of the Tariff, the Distribution Provider shall present such alternatives for consideration by the Distribution Customer. If, upon review of any alternatives, the Distribution Customer desires to maintain its Initial Application subject to construction of the alternative facilities, it may request that the Distribution Provider submit a revised Service Agreement. In the event the Distribution Provider concludes that no reasonable alternative exists and the Distribution Customer disagrees, the Distribution Customer may seek relief under the dispute resolution procedures pursuant to Section 8, Dispute Resolution Procedures, or it may refer the dispute to the Commission for resolution.

15.3 Refund Obligation for Unfinished Facility Additions

If the Distribution Provider and the Distribution Customer mutually agree that no other reasonable alternatives exist and the requested Distribution Service cannot be provided out of existing capacity under the conditions of this Tariff, the obligation to provide the requested Distribution Service shall terminate. The Distribution Customer shall be responsible for all prudently incurred costs by the Distribution Provider through the time construction was suspended including the cost to remove any unfinished facility additions.

16. Changes in Service

The Distribution System may be highly integrated, particularly in densely populated areas, such that rerouting of power may occur annually, or even seasonally, usually in order to maximize the efficiency of the Distribution System. The delivery of power to the Distribution Customer is designed so that any such rerouting is not visible to the Distribution Customer. As a result, the Distribution Provider may elect a different path to supply the Distribution Customer after service is established without any notice requirements, although the specified Point of Delivery is not changed.

Any request by a Distribution Customer to modify any Point of Delivery shall be treated as a new request for service and it will require an Application. While the Application is pending,

the Distribution Customer shall retain its priority for service at the existing Point of Delivery specified in its Service Agreement.

17. Metering and Power Factor Correction

17.1 Metering and Communications Equipment

As it pertains to loads, and unless the Distribution Customer desires to install and maintain its own revenue meters and communications equipment and coordinates in advance with the Distribution Provider, the Distribution Provider shall be responsible for installing, maintaining, and owning the revenue meters and communications equipment at each Point of Delivery to account for the capacity and energy being transmitted under this Tariff and to communicate the information to the Distribution Provider. The revenue meter shall record real and Reactive Power delivered to the Distribution Customer each half-hour on an integrated demand basis. The meters shall be capable of measuring flows both "in" and "out" (watts and VARs), which is consistent with the requirements in ISO's Metering Business Practice Manual, shall be designed to prevent reverse registration, and shall measure and continuously record such deliveries. Current metering is solid state (Quad 4+) with dial-in access consistent with the MV-90 addressable metering protocol, or successor protocol set forth in the ISO Tariff as it may change from time to time. As it pertains to Generation, metering and other requirements are listed in the PG&E Interconnection Handbook or its successor.

17.2 Access to Metering Data

Prior to initiation of Distribution Service, the Distribution Provider and the Distribution Customer must agree on a process for making meter data, including the output from each individual meter, available to one another. The Distribution Customer shall have access to metering data and shall have reasonable access to install any recording devices or telemetering equipment it may require connected to the Distribution Provider-owned revenue meter. For a fee that covers the Distribution Provider's costs to program the meter, meters owned by the Distribution Provider can be configured to allow dial-in access by the Distribution Customer, if applicable. Meters owned by the Distribution Customer must allow dial-in access by the

Distribution Provider or the Distribution Customer shall provide 4-channel, settlement quality meter data with meter reads for each half hour on an integrated demand basis.

17.3 Distribution Customer Obligations

The Distribution Customer shall provide mounting devices, structures, and enclosures, as specified by the Distribution Provider for such metering. If the Distribution Provider owns a meter and associated communication equipment, the Distribution Customer shall grant the Distribution Provider such access to facilities as may be required for proper operation and maintenance of all revenue metering equipment.

17.4 Power Factor

Unless otherwise agreed, the Distribution Customer is required to maintain a power factor within the same range as the aggregate of the Distribution Provider's Native Load Customers in the same area, as corrected by Distribution Provider-installed Reactive Power devices, pursuant to Good Utility Practice. If it is necessary to install facilities or equipment to correct voltage conditions caused by the Distribution Customer, such installation shall be at the Distribution Customer's expense. The power factor requirements are specified in the Service Agreement where applicable.

18. Compensation for Distribution Service

Rates for Distribution Service to Distribution Customer loads are provided in Appendix II to this Tariff.

18.1 Compensation for Distribution Service Associated with Generation

Rates for Distribution Service associated with Generation will be determined from any Direct Assignment Facilities and any Upgrades required to provide Distribution Service pursuant to Section 14. Rates are applied to those facilities required to transport Generation output to the ISO grid. For Direct Assignment Facilities and Upgrades, the annual revenue requirement will be determined from the current test year to the extent possible pursuant to applicable Commission regulations, for the cost of such facilities. The monthly charge shall be established by dividing

that amount by twelve (12) months. For use of existing Distribution Facilities that are not a part of Direct Assignment Facilities or Upgrades, no charges will be assessed Distribution Service relating to Generation.

19. Stranded Cost Recovery

19.1 The Distribution Provider may seek to recover stranded costs from the Distribution Customer pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888 and FERC Order No. 888-A. However, the Distribution Provider must separately file any specific proposed stranded cost charge under Section 205 of the Federal Power Act.

19.2 In agreeing to provide Distribution Service under this Distribution Tariff, the Distribution Provider reserves the right to collect any applicable non-bypassable charges (NBCs). Non-bypassable charges are typically imposed over an established time period by a government authority that affected persons or entities are required to pay to cover costs incurred, or programs funded by, a utility. Examples of NBCs include public purpose programs such as energy assistance programs for low-income households and energy efficiency programs, departing load or exit fees, stranded cost charges, charges associated with decommissioning of a nuclear power plant, the securitized proceeds of a revenue stream, or competition transition charges (CTCs) for other wholesale loads which may, in the future, be created from existing retail loads at the Point of Delivery. NBCs shall be collected in the event that a competent regulatory agency or legislative body determines that it is appropriate to promulgate regulations or legislation which entitle the Distribution Provider to collect such charges from the Distribution Customer and similarly situated customers.

20. Standards of Conduct

Terms and conditions regarding Open Access Same-Time Information System and standards of conduct are set forth in 18 CFR § 37 of the Commission's regulations (Open Access Same-Time Information System and Standards of Conduct for Public Utilities) and will be followed to the extent applicable.

21. Non-Waiver

Except as otherwise expressly provided herein, no waiver of any covenant, condition, or provision of this Tariff shall be deemed to have been made by the Distribution Provider unless expressly in writing. The failure of Distribution Provider to insist in any one or more cases upon the performance of any of the provisions, covenants, or conditions of this Tariff or to exercise any option herein contained shall not be construed as a waiver or relinquishment of the Distribution Provider's rights under any such provisions, covenants, or conditions. The Distribution Provider's acceptance of performance of anything required by this Tariff to be performed with knowledge of a breach or failure of a covenant, condition, or provision hereof shall not be deemed a waiver of such breach or failure.

22. Existing, Legacy Shared Conduit Infrastructure

In association with Points of Delivery in service as of the Effective Date of this Tariff, where the Distribution Provider and Distribution Customer own, operate and maintain electric facilities that are or may be located within the same geographical territory, each Party may own electric facilities that are located in conduits owned by the other Party. In such a circumstance, the sharing of existing conduit infrastructure will require that each Party make available authorized personnel to evaluate and coordinate work at locations where conduit substructures may be shared. In addition, both Parties agree to clearly mark their own lines and facilities that are located in the manholes or vaults owned by the other Party. Each Party also agrees to remove its own de-energized, abandoned electric facilities at its own expense within six (6) months of de-energization. Each Party also agrees to use of Qualified Electrical Workers to access, maintain, install and remove electrical facilities within any shared conduits and to perform work in compliance with applicable laws and regulations in a manner that is consistent with Good Utility Practice.

For non-emergency situations where one Party must enter and perform work in the conduit or substructure of the other Party, the Parties must enter into a contract with payment required prior to work execution. In such a circumstance, each Party will provide at least twenty (20) business days' notice in advance of any scheduled work and each Party will be required to mitigate any hazardous substances in the work area for which it is responsible.

23. Separation of Conduit Infrastructure Under the Tariff

For all Points of Delivery that are interconnected after the Effective Date of this Tariff the Distribution Customer will be responsible for the installation costs of any conduit required by the Distribution Provider's design (including spare conduit installed pursuant to Good Utility Practice) and shall deed all conduit and substructures on the Distribution Provider's side of the Point of Interconnection to the Distribution Provider. After construction and energization of a Point of Delivery is complete, each Party will own and be responsible for maintaining its respective substructures and electric facilities on its side and up to the Point of Interconnection. Both Parties agree to clearly mark their own lines and facilities that are located in the manholes or vaults owned by the other Party. Each Party also agrees to remove its own de-energized, abandoned electric facilities at its own expense within six (6) months of de-energization. Each Party also agrees to the required use of Qualified Electrical Workers to access, maintain, install and remove electrical facilities and to perform work in compliance with applicable laws and regulations in a manner that is consistent with Good Utility Practice.

APPENDIX I:
WHOLESALE DISTRIBUTION WILDFIRE LIABILITY COST RECOVERY FORMULA RATE

The Protocols set forth in Attachment 1 of this Appendix and the Model set forth in Attachment 2 of this Appendix together comprise the Wholesale Distribution Wildfire Liability Cost Recovery Formula Rate.

ATTACHMENT 1: PROTOCOLS

PROTOCOLS

1. INTRODUCTION

These Protocols describe: (1) the terms and operation of the Wholesale Distribution Wildfire Liability Cost Recovery Formula Rate (Formula Rate) to calculate the Wholesale Distribution Wildfire Liability Cost Recovery (WLCR) Charge; (2) PG&E's commitment to use the Formula Rate to annually update the WLCR Charge; and (3) the terms under which certain Formula Rate provisions may be revised, subject to FERC approval. The rates and charges described in these Protocols and calculated in the Model shall be in addition to any amounts the Distribution Customer ("Customer") has paid or is obligated to pay for Distribution Service Charge, Cost of Ownership, Customer Service Charge, project study costs, Direct Assignment Facilities or Upgrades.

The Model and its underlying Schedule is presented as Attachment 2 to Appendix I. All references in the Protocols to the Schedule refer to the Schedule in the Model. The Schedule contains fixed formulas that will be populated with data from PG&E's internal records and will be identified in the Model by references to workpaper or sources from PG&E's internal records.

All capitalized terms used in these Protocols shall have the meanings as set forth herein, elsewhere in PG&E's Wholesale Distribution Tariff, or in the Model.

2. DEFINED TERMS

2.1 Annual Update

The update setting forth the WLCR Charge for the upcoming Rate Year. The Annual Update is submitted as an informational filing at FERC.

2.2 California Wildfire Fund

California Wildfire Fund was established by California Assembly Bill (AB) 1054 for the purpose of reimbursing participating electrical corporations for eligible wildfires ignited on or after July 12, 2019, subject to the conditions, limitations, and requirements set forth in applicable law.

2.3 Draft Annual Update

The draft of the proposed update of the WLCR Charges for the upcoming Rate Year.

2.4 Electric Distribution Wildfire Liability Cost Allocation Factor

The fixed percentage of 70% to allocate total company allocable Wildfire Liability Costs to Electric Distribution Customers.

2.5 Errors

A mistake or omission regarding the Formula Rate to calculate the WLCR Charge, such as transposition mistakes, arithmetic and other inadvertent computational errors, erroneous references, and mechanical errors in application of the Formula Rate such as the formula in an Excel cell containing logic or syntax errors or referencing an incorrect cell. Errors do not include matters involving the exercise of judgment.

2.6 Existing Distribution Customers

Include the City and County of San Francisco, Power and Water Resources Pooling Authority, Shelter Cover, Western Area Power Administration, and Westside Power Authority.

2.7 Filing Year

The Filing Year is the calendar year in which an Annual Update is filed.

2.8 Final Wildfire Liability Costs Recovery Charge

At either the expiration of the Formula Rate or the termination of a Distribution Customer's wholesale distribution service agreement, a Final Charge will be calculated for each Distribution Customer or the terminating Distribution Customer, depending on the event giving rise to the Final Charge. PG&E recovers Distribution Customer's share of Wildfire Liability Costs on an accrual basis as set forth below. The Final Charge represents the WLCR Charge for Prior Year periods spanning from the day following the Prior Year period covered by the most recent Annual Update to the expiration of the

Formula Rate or through the day before the effective date of a new allocation to and among Distribution Customers as approved by FERC .

2.9 Interested Party(ies)

Parties interested in the information exchange and review described in these Protocols including, but not exclusive to, customers under the WDT Tariff, California state regulatory commissions, consumer advocacy agencies, and the California state attorney general. These parties must request to become entities on the Notification List.

2.10 Model

The Model, set forth in Attachment 2 to this Appendix I, is the spreadsheet containing the Schedule that operates as the mechanism for calculating the WLCR Charge.

2.11 Notification List

Interested Parties receiving the Draft Annual Update, as defined in Section 4.1.

2.12 Prior Year

The Prior Year is the calendar year immediately preceding the Filing Year.

2.13 Privileged Materials

Privileged Materials shall have the meaning identified in the Non-Disclosure Agreement that is identified as Exhibit A to the Protocols.

2.14 Rate Year

Rate Year means the year in which the rates will be effective and is the calendar year immediately following the Filing Year.

2.15 Schedule

The Schedule is the individual worksheet in the Model that reflects the components and formulas used to calculate the WLCR Charge.

2.16 Wildfire Liability Costs

Costs associated with wildfires ignited on or after the WDT4 effective date (May 25, 2025) that are subject to recovery through the WLCR Charge. Wildfire Liability Costs are defined as follows.

1. Administrative and general expenses resulting from a wildfire, including costs for liability claims, judgments, settlements, court costs, associated legal fees and other applicable costs that are covered by wildfire insurance issued by PG&E's captive insurance company, Pacific Energy Risk Solutions, LLC (PERS), or its successor.
2. The costs incurred in relation to the operation of the captive insurance company, PERS, for the management of the wildfire self-insurance program, including the captive management fee, investment management fee, audit fee, formation expenses, license fee, legal services, non-admitted insurance tax, bank fees, and similar costs for the management of the captive that may arise in the future.

2.17 Wholesale Distribution Wildfire Liability Costs Recovery (WLCR) Charge

The charge for Distribution Service a Distribution Customer pays monthly in the Rate Year will be its share of accrued Wildfire Liability Costs net of accrued recoveries from the California Wildfire Fund in the Prior Year in addition to all other rates for Distribution Service. The billings may be accelerated as described in 6.2 if a Distribution Customer terminates service within a Rate Year.

3. TERM OF THE FORMULA RATE

The Formula Rate shall become effective May 25, 2025. Beginning on that date, PG&E's WLCR Charge shall be calculated through the Formula Rate and subject to correction of Errors and revision in accordance with these Protocols.

The Formula Rate shall remain in effective until the Commission approves to modify or replace the Formula Rate, subject to the terms of section 2.20 of the Tariff.

4. UPDATING THE WLCR Charge

4.1 Draft Annual Update Schedule

As set forth below, the procedures for updating the WLCR Charge for the upcoming Rate Year shall be followed while this Formula Rate is in effect. The following is a summary of the annual events and associated dates for PG&E's performance of these procedures. If any of the dates listed below do not fall on a business day, the due date for the event shall be the following business day.

ANNUAL EVENT	*DATE*
Posting and Notice Date of Draft Annual Update	July 1
First Day to Submit Information Requests	July 1
Draft Annual Update Technical Conference	July 15 – August 1
Last Day to submit Information Requests	November 8*
Annual Update Filed at FERC	December 1
Wildfire Liability Cost Recovery Annual Update recovery period	January 1 through December 31 the following year
Last Day for Formal Comments or Protests to Annual Update	January 30 the following year
Last Day for PG&E to Submit Answer to Formal Comments or Protests	March 15 the following year

*Note: See Section 4.5.2 regarding response time for Information Requests received after November 8.

The first Wildfire Liability Cost Recovery Annual Update process will occur in 2027 according to the schedule above for rates effective on January 1, 2028. For the first WLCR Annual Update, the costs will include Wildfire Liability Costs accrued on or after May 25, 2025 through December 31, 2026.

4.2 Draft Annual Update Posting and Notice

In accordance with the schedule set forth in Section 4.1 above, PG&E shall post to a page

on its website, pge.com, a narrative summary of its Draft Annual Update and will provide electronic notice via email of such posting along with the contents of the Draft Annual Update as set forth in Section 4.3 to: (1) PG&E's current Distribution Customers; (2) any person or entity admitted as a party in the FERC proceeding concerning PG&E's WDT cost of service filing to implement the Formula Rate; (3) any person or entity admitted as a party in any subsequent Annual Update proceeding filed by PG&E in accordance with these Protocols; (4) the CPUC; and (5) any other Interested Party that requests to be added (collectively, "Notification List"). PG&E shall send via email a PDF version of its FERC Form 1 to the Notification List no later than ten (10) days submitting its FERC Form 1 to FERC.

4.3 Draft Annual Update Contents and Additional Information

4.3.1 The Draft Annual Update shall set forth the WLCR Charge for the upcoming Rate Year and shall include populated versions of the Schedule in native format with all formulas and links intact and all workpapers used in the calculation of the WLCR Charge, in their native format, with all formulas and links intact. Specifically, the Draft Annual Update shall:

(1) Identify all methodological changes to inputs;

(2) Identify any changes to the references in the Model of the sources and/or methods of obtaining information from PG&E's records;

(3) Include all workpapers from which a Formula Rate input is taken, in native format, and with all data used;

(4) Include a workable, data-populated Model in native format with all formulas and links intact.

(5) To the extent it impacts the WLCR Charge, PG&E will provide for the applicable Rate Year the following information related to affiliate cost allocations: (1) a detailed description of the methodologies used to allocate and directly assign costs between PG&E and its affiliates by service category or function, including

any changes to such cost allocation methodologies from the Prior Year and the reasons for those changes; and (2) the magnitude of such costs that have been allocated or directly assigned between PG&E and each affiliate by service category or function;

(6) Identify any change in accounting relative to the Prior Year that affects inputs to the Formula Rate or the resulting charges billed under the Formula Rate including: (1) the initial implementation date of a new or revised accounting standard or policy; (2) the initial implementation date of new or revised accounting practices for unusual or unconventional items where FERC has not provided specific accounting direction and a quantification of the impact of the change(s); (3) correction of errors and prior period adjustments; (4) the implementation of new estimation methods or policies that change prior estimates; and (5) changes to FERC Form 1 reporting practices for financial or operational data that impact the inputs to the Formula Rate. To the extent these accounting changes affect PG&E's inputs to its Formula Rate, PG&E shall provide a narrative explanation of the individual impact of those items on charges billed under the Formula Rate; and

(7) Identify any known errors or adjustments in FERC Form 1 data used in the Model to the extent they impact the WLCR Charge.

4.4 Draft Annual Update Technical Conference

PG&E will provide notice to the Notification List of a one-day technical conference to discuss the Draft Annual Update. Such a meeting may take place in-person or via telephone, video or web-based conference. PG&E shall make appropriate personnel available for this conference. As appropriate, additional meetings to discuss the Draft Annual Update may be scheduled by mutual agreement of PG&E and those on the Notification List.

4.5 Information Requests

4.5.1 Interested Parties may submit reasonable information requests to PG&E regarding the Draft Annual Update.

4.5.2 PG&E shall make a good faith effort to respond to reasonable information requests in writing within ten (10) business days of receipt, except that, for any information requests submitted to PG&E after November 8, no response will be due until January 3. PG&E shall contemporaneously provide copies of all responses to the Notification List, unless an Interested Party has affirmatively indicated to PG&E that they do not wish to receive such copies. Additionally, subject to the provisions of Section 4.5.3 below, PG&E's responses to information requests shall be provided to any person or entity not on the Notification List that submits a request through the WDTAnnualUpdateInfoRequest@pge.com email box located on PG&E's website, pge.com. If PG&E, in good faith, finds that an information request is unreasonable, it may object to the request. If PG&E objects to an information request, it will make a good faith effort to provide its objections and bases for any such objections within ten (10) business days of receipt of the information request to the party propounding the request. PG&E and the Interested Party propounding the information request on PG&E will work cooperatively and in good faith to resolve any questions, objections, or disputes relating to the information requests.

4.5.3 Responses to information requests shall not be designated as settlement communications or produced under FERC's rules and regulations governing settlements, unless provided as a privileged settlement communication in a FERC proceeding being conducted under FERC's settlement rules. PG&E may mark materials provided in response to an information request as Privileged Materials in accordance with Exhibit A to the Protocols. To the extent an information request response calls for the production of Privileged Materials, PG&E will only provide such materials to the Interested Parties with whom it has entered into a

non-disclosure agreement that is included as Exhibit A.

4.5.4 To the extent PG&E and any Interested Party(ies) are unable to resolve disputes related to information requests submitted in accordance with these Protocols, PG&E or any Interested Party may petition FERC to appoint an Administrative Law Judge as a Discovery Master. Neither PG&E nor any Interested Party shall object to a request for a Discovery Master. The Discovery Master shall have the power to issue orders to resolve discovery disputes, as appropriate, in accordance with these Protocols and consistent with FERC's discovery rules. The Discovery Master's orders shall be subject to appeal to FERC and to the courts to the same extent and under the same rules as would be applicable to an Initial Decision issued under Rule 708 of FERC's Rules of Practice and Procedure. In the event FERC establishes hearing procedures for an Annual Update, the Discovery Master's responsibilities shall be transferred to the Presiding Judge for such hearing effective upon his or her appointment.

4.6 Revisions to Draft Annual Update

PG&E shall provide to the Notification List a marked version indicating any revisions it proposes to the Draft Annual Update and provide an explanation of the reason for the revisions no later than the date specified in Section 4.1

4.7 Annual Update

4.7.1 On or before December 1 of each year with the exception described in 4.1 for the first WLCR Annual Update, PG&E shall file with FERC its Annual Update as an informational filing setting forth the WLCR Charge for the upcoming Rate Year. The WLCR Charge shall be effective January 1 of the upcoming Rate Year. Each Annual Update shall be filed in a new docket at FERC and shall identify the docket numbers of all prior Annual Updates submitted under this Formula Rate. PG&E shall provide notice of the Annual Update filing to the Notification List the day of the filing and shall provide the new docket number to the Notification List no later than five (5) calendar days after the Commission accepts the filing.

4.7.2 The Annual Update shall not modify the Formula Rate or subject the Formula Rate to modification and shall not constitute a rate change filing under Section 205 of the FPA, 16 U.S.C. § 824d(d) and Section 35.13 of the rules and regulations of the Commission, 18 C.F.R. §35.13.

4.7.3 No later than the date established in Section 4.1 any person may comment on or protest the Annual Update and may request that FERC establish hearing and/or settlement procedures regarding the Annual Update. PG&E and Interested Parties reserve their rights to oppose such requests on their merits. Comments or protests to the Annual Update are filed pursuant to these Protocols rather than FPA Section 206. Any comments or protests should be filed in the new docket described in Section 4.7.1. Any person may challenge the justness and reasonableness of PG&E's implementation of the Formula Rate with respect to such matters as:

(1) whether PG&E has properly and reasonably applied the Formula Rate;

(2) whether the costs to be recovered through the WLCR Charge have been accurately stated, properly recorded and accounted for pursuant to applicable FERC accounting rules, and are consistent with the Formula Rate;

(3) whether PG&E's calculation methodologies are consistent with the Formula Rate; and whether the costs and expenditures included for recovery have been or will be prudently incurred, consistent with FERC precedent regarding prudence; and

(4) whether any accounting changes are reasonable and consistent with applicable FERC accounting rules.

4.7.4 PG&E shall make any revisions to the WLCR Charge required by a final FERC order with respect to each Annual Update. Unless otherwise ordered by FERC, such revisions shall be effective as of the first day of the applicable Rate Year and

shall be reflected, with interest calculated pursuant to FERC's regulations, in the next Annual Update as an adjustment or, if applicable, the Final WLCR Charge.

4.7.5 If PG&E determines that a previously-filed Annual Update contained Errors that affected the WLCR Charge calculated in that Annual Update, including but not limited to filed corrections to its FERC Form 1 that affect the inputs to the Formula Rate or errors in other input data used in determining the WLCR Charge, PG&E shall recalculate the WLCR Charge since the effective date of the Formula Rate for each affected Prior Year and then for each affected Customer, PG&E shall:

(1) recalculate the WLCR Charge for all affected Prior Years;

(2) compare the difference between the initial incorrect WLCR Charge and the revised correct WLCR Charge; and

(3) calculate the cumulative amount of the difference, including interest calculated pursuant to FERC's regulations.

Absent a FERC order requiring refunds outside of the Formula Rate, the difference calculated above for each Customer shall be included as a one-time adjustment in accordance with the WLCR Formula Rate.

All corrections will be detailed in a Workpaper to be included with the subsequent Annual Update.

4.7.6 To the extent any person challenges an Annual Update under Section 4.6.3, consistent with applicable FERC precedent, PG&E will bear the burden of demonstrating the correctness of its Annual Update, and is obliged to demonstrate that the rate resulting from the application of the Model complies with Section 205 of the FPA. In this regard, PG&E will bear the burden of proving whether it has correctly implemented the Formula Rate. More specifically, PG&E will bear the burden of demonstrating (1) the correctness of its Annual Update; (2) the justness and reasonableness of the implementation of its Formula Rate; and (3)

that any accounting practice or procedure is consistent with applicable law, FERC precedent, and/or FERC accounting rules.

Nothing herein is intended to alter the burden of proof applied by the Commission with respect to prudence. For the avoidance of doubt, to the extent a person's challenge to an Annual Update creates serious doubt as to the prudence of an expenditure, PG&E will bear the burden of dispelling such doubts and proving the questioned expenditure to have been prudent consistent with FERC precedent regarding prudence.

Any person challenging the Formula Rate itself in a filing under FPA Section 206 will bear the burden of proof.

4.7.7 It is expressly intended by these Protocols that FERC will issue an order taking action, assuming any action is requested and FERC determines that such action is appropriate, on the Annual Update if protests and/or comments on the Annual Update are filed.

4.7.8 Protests to or comments on the Annual Update under this Section 4.7 are limited to challenges for the Rate Year covered by the Annual Update as well as Errors in prior Annual Updates. Persons filing comments or protests cannot raise an issue regarding prior Annual Updates or other time periods other than the Rate Year, except with respect to Errors in prior Annual Updates.

4.7.9 PG&E may file an answer to any protests or comments to an Annual Update in the time period specified in Section 4.1.

5 CALCULATION AND BILLING OF WLCR CHARGE

5.1 Wildfire Liability Costs will be allocated to the electric distribution function according to the Electric Distribution Wildfire Liability Cost Allocation Factor, which is fixed at 70% of total company applicable costs for the term of this

Formula Rate. Of the Wildfire Liability Costs allocated to electric distribution, Existing Distribution Customers collectively will be allocated 0.620% of those costs. These costs will be further allocated among the Existing Distribution Customers as set forth in the table below. The allocation to, and among, Existing Distribution Customers shall be modified, as necessary through a single issue filing pursuant to Section 8.1 to reflect changes in customer composition.

Distribution Customer	Allocation Percentage
CCSF	44.01%
PWRPA	1.24%
Shelter Cove	0.30%
WAPA	54.42%
Westside	0.03%

6. FINAL WLCR CHARGE

6.1 PG&E shall continue to file an Annual Update to recover the WLCR Charge for Prior Year periods spanning from the day following the Prior Year period covered by the most recent Annual Update to the expiration of the Formula Rate.

6.2 In the case of the termination of an Existing Customer's wholesale distribution Service Agreement, the Existing Customer shall continue to be responsible for the WLCR Charge calculated in the Annual Update for Prior Year period before the effective date of the new allocation to and among Distribution Customers via a single issue filing that is approved by FERC as provided in section 8. .

7. MODEL TARIFF RECORD AND SUPPORTING WORKPAPERS

7.1 Model Tariff Record

The tariff record of the Model is constructed to provide for Annual Updates as described herein. As such, certain portions of the Model contain cells for input values, sources, and explanatory notes that may change. Input cells affect the operation of the Model and necessarily change for each Annual Update. Cells that are labeled for sources or notes do not affect the operation of the Model and may be changed as needed to update the sources

of input or explanatory notes. The Model contains a Formatting and References sheet that includes a description of input cells and cells labeled for sources or notes.

Changes to the content of input cells or the addition or revision of cells for labeling sources or explanatory notes are not revisions to the tariff record of the Model and shall not require a filing at FERC pursuant to Section 205 of the FPA, 16 U.S.C. § 824d(d) and Section 35.13 of the rules and regulations of the Commission, 18 C.F.R. §35.13. Such changes, however, may be challenged pursuant to Section 4.5 of these Protocols.

7.2 Supporting Workpapers

Workpapers that support the Model, including workpapers that provide inputs to the Model are not part of the Model and are not tariff records. As such, additions or revisions to workpapers shall not require a filing at the Commission. As applicable, such additions or revisions will be identified as specified in Section 4.3 Draft Annual Update Contents of these Protocols. The guidance contained in the Formatting and References sheet of the Model applies to workpapers in order to provide consistency between the Model and supporting workpapers.

8. REVISIONS TO FORMULA RATE PROVISIONS

To address the circumstances described in the sub-Sections below, PG&E may make a single-issue Section 205 filing to revise the Formula Rate or any person may make a single-issue Section 206 filing to revise the Formula Rate. A single-issue Section 205 filing or a single-issue Section 206 filing is referred to as a "Filing" for purposes of this Section.

The proceedings commenced in response to the Filing shall not include or allow for consideration or examination of any other aspects of the Formula Rate or other issues associated with the Formula Rate, except to the extent that the proposed changes directly impact other Formula Rate components that are not the subject of the Filing. All parties will have all applicable rights under the FPA and the Commission's rules and regulations with respect to such Filings, except as limited by this Section 8. However, the

Commission is not bound by the provisions in this Section and may at its discretion broaden the scope of a Filing to review any components of the Formula Rate.

8.1 Changes to Distribution Customer Composition

If there is a change in the Distribution Customer composition (i.e., addition or removal of a customer), PG&E will make a single-issue Section 205 filing at FERC to address this change. Such filing shall not modify the 70% Electric Distribution Wildfire Liability Cost Allocation Factor. The allocation to Distribution Customers of the resulting Electric Distribution costs, currently set at 0.620%, and how wholesale customer wildfire liability costs will be allocated between the individual customers would be subject to proposal by PG&E. The Existing Distribution Customers reserve their rights to protest in such a filing the 0.620% allocation to Distribution Customers of the resulting Electric Distribution costs, how wholesale customer wildfire liability costs will be allocated among the individual customers in such a filing, and other aspects of the proposal, but not the 70% Electric Distribution Wildfire Liability Cost Allocation Factor.

8.2 Recovery of Past Wildfires

The rates provided in Appendix II and the recovery of Wildfire Liability Costs as detailed in the WLCR Charge and Formula Rate do not resolve the recovery of the costs of fires ignited during the WDT3 effective period (April 15, 2021 through and including May 24, 2025). PG&E is not precluded from seeking recovery of the costs of those wildfires, and PG&E may file a single-issue section 205 filing to recover the costs for wildfires ignited during the WDT3 effective period (April 15, 2021 through and including May 24, 2025), with payments or reimbursements made during the effective period of this tariff, i.e., on or after May 25, 2025 and through the term of this tariff. The Existing Distribution Customers reserve their rights to protest or challenge such filing.

8.3 Changes to Uniform System of Accounts

PG&E will make a Filing to update the references in the Formula Rate to reflect any changes to the Uniform System of Accounts that affect the calculations set forth in the

Formula Rate in the event that a FERC order revises the Uniform System of Accounts. This Filing shall be submitted within sixty (60) days of the later of (1) the issuance of any FERC decision or directive to revise the Uniform System of Accounts; or (2) the date of implementation established in the FERC decision or directive for revisions to its Uniform System of Accounts. In a proceeding commenced under this Section, the issues that can be addressed are whether the changes proposed by PG&E: (1) address the circumstances described in this sub-Section; and (2) are just and reasonable.

9. WILDFIRE LIABILITY COSTS

9.1 PG&E shall annually determine the amount of recorded Wildfire Liability Costs net of accrued recoveries from California Wildfire Fund as set forth in Schedule 1-WildfireLiabilityCostRecovery of the Model. For rate making purposes, PG&E will show the expected recoveries from its captive insurer, PERS in the new workpaper, WP_WildfireEvents, but such amounts will be excluded from calculating the WDT customer charges.

9.2 Recovery Basis

9.2.1 PG&E's recovery of Wildfire Liability Costs will be on an accrual basis.

9.2.2 The accrual amount will be net expected proceeds from the California Wildfire Fund.

9.2.3 For rate making purposes, PG&E will show the expected recoveries from its captive insurer, Pacific Energy Risk Solutions (PERS) in the Wildfire Liability Tracker but such amount will be excluded from calculating the Wildfire Liability Cost and the WDT customer charges.

9.2.4 PG&E will not apply interest to the Wildfire Liability Cost Recovery Formula Model for any true-up amounts, i.e., changes in amount of accrued costs from year to year.

10. WILDFIRE EVENT TRACKING

Beginning with the Wildfire Liability Cost Recovery Annual Update to be filed in 2027,

for wildfires that are estimated to result in $50 million or more in: (1) A&G expenses; (2) O&M expenses; and/or (3) capital expenditures ("Wildfire Event"), PG&E shall provide the following information to Interested Parties in a new workpaper entitled WP_WildfireEvents:

10.1 Tracking of costs by Wildfire Event over the time period in which costs are incurred and claims paid, by month. The types of costs include the costs incurred, FERC Account and cost-type (e.g., third party claim for personal injury and/or property damage, cost of rebuilding transmission facilities, etc.);

10.2 Accrued Wildfire Event costs booked by FERC Account by month;

10.3 Expected Wildfire Event insurance recoveries booked by FERC Account by month;

10.4 Actual Wildfire Event expenses (e.g., claims, legal fees, O&M or capital projects) that are paid out of the accrued expenses, by FERC Account by month; and,

10.5 Actual Wildfire Event insurance recoveries received.

10.6 This Section 10 shall apply to Wildfire Events which occur after the effective date of this Tariff.

11. USE OF INFORMATION

Information produced pursuant to these Protocols may be used in any proceeding concerning the Model, the Protocols, or the Annual Update; provided, however, that to the extent that any information provided pursuant to these Protocols has been designated and provided as Privileged Materials, subject to the provisions of Exhibit A to these Protocols, the use of such information shall be governed by Exhibit A.

This Section shall not apply to any information produced in the course of FERC-established settlement proceedings pursuant to FERC's rules and regulations governing settlement.

12. EXCLUDED COSTS

In addition to costs that are generally determined by FERC to be non-recoverable, the costs for the following will not be included in the WLCR Charge nor included in any account that informs the Model or any calculation in the Model:

12.1 General Advertising expenses except for safety, education and outreach related.

12.2 Lobbying and public relations expenses (civic/political).

12.3 Donations and charitable contributions.

12.4 Penalties, fines, or disallowances, imposed by a regulatory body or court in a final decision or order.

12.5 All officer compensation and benefits included in Accounts 920, 923 and 926 for Securities and Exchange Commission Section 3b-7 officers.

EXHIBIT A
PG&E WHOLESALE DISTRIBUTION TARIFF
NON-DISCLOSURE AGREEMENT

1. This Non-Disclosure Agreement shall govern the use of all Privileged Materials produced by, or on behalf of, any Participant in relation to Pacific Gas and Electric Company's ("PG&E") Wholesale Distribution Tariff , the Wildfire Liability Cost Recovery Annual Update filings, or subsequent proceedings at the Federal Energy Regulatory Commission ("FERC") to update PG&E's Wildfire Liability Cost Recovery formula rate or the Wholesale Distribution Tariff. This Non-Disclosure Agreement shall remain in effect until all Privileged Materials are returned to the producing Participant or destroyed by the receiving Participant, as described herein.

2. This Non-Disclosure Agreement applies to the following two categories of materials: (A) a Participant may designate as Privileged Materials those materials which customarily treated by that Participant as sensitive, private, proprietary or otherwise confidential, which are not available to the public, and which, if disclosed freely, would subject that Participant or its customers to a risk of competitive disadvantage, breach of confidentiality requirements or commitments, or other business injury; and (B) a Participant shall designate as Privileged those materials which contain critical energy infrastructure information, as defined in 18 CFR § 388.113(c)(1) ("Critical Energy Infrastructure Information").

3. Definitions – For purposes of this Agreement:

   (a) The term "Participant" shall mean a Participant as defined in 18 CFR § 385.102(b).

   (b)(1) The term "Privileged Materials" means: (A) materials provided by a Participant in response to a request from another Participant, or in response to settlement discovery requests, and designated by the producing Participant as Privileged; (B) any information contained in, obtained from or derived from such designated materials; (C) notes of Privileged Materials; and (D) copies of Privileged Materials. The Participant producing the Privileged Materials shall physically mark them on each page as "PRIVILEGED MATERIALS," or with words of similar import as long as the term "Privileged Materials" is included in that designation, to indicate that they are Privileged Materials. To the extent that the materials cannot be marked individually, the Participant producing the Privileged Materials must take other measures, such as including "Privileged Materials" in the filename or clearing indicating in the communication producing materials that the attached are Privileged Materials. If the Privileged Materials contain Critical Energy Infrastructure Information, the Participant producing such information shall, to the extent possible, additionally mark on each page containing such information the words "Contains Critical Energy Infrastructure Information; Do Not Release."

   (2) The term "Notes of Privileged Materials" means memoranda, handwritten notes, or any other form of information (including electronic form) which copies or discloses

materials described in Paragraph 3(b)(1). Notes of Privileged Materials are subject to the same restrictions provided in this Agreement for Privileged Materials.

(3) Privileged Materials shall not include: (A) any information or document that has been filed with and accepted into the public files of the Federal Energy Regulatory Commission ("Commission"), or contained in the public files of any other federal or state agency, or any federal or state court, unless the information or document has been determined to be protected by such agency or court; or (B) information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Non-Disclosure Agreement. Privileged Materials do include any information or document contained in the files of the Commission that has been designated as Critical Energy Infrastructure Information.

(c) The term "Non-Disclosure Certificate" shall mean the certificate annexed hereto by which Participants who have been granted access to Privileged Materials shall execute to certify their understanding and agreement that such access to Privileged Materials is provided pursuant to the terms and restrictions of this Non-Disclosure Agreement, and that such Participants have read the Non-Disclosure Agreement and agree to be bound by it. All Non-Disclosure Certificates shall be served on all parties on the official service list maintained by the Secretary in this proceeding.

(d) The term "Reviewing Representative" shall mean a person who has signed a Non-Disclosure Certificate and who is:

(1) Commission Trial Staff ("Staff") designated as such in this proceeding;

(2) an attorney who has made an appearance in this proceeding for a Participant;

(3) an attorney, paralegal, or other employee associated for purposes of this case with an attorney described in Subparagraph (2);

(4) an expert or an employee of an expert retained by a Participant for the purpose of evaluating the filing made in this docket or advising, preparing for or negotiating a settlement of this proceeding; or

(5) an employee or other representative of a Participant appearing in this proceeding with significant responsibility for this docket.

4. Privileged Materials shall be made available under the terms of this Non-Disclosure Agreement only to Participants and only through their Reviewing Representatives as provided in Paragraphs 7-9.

5. Privileged Materials shall remain available to Participants until the later of the date that an order terminating this proceeding becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Privileged Material is concluded and no longer subject to judicial review. After that date, the Participants shall,

within fifteen days of such date, return the Privileged Materials (excluding Notes of Privileged Materials) to the Participant that produced them, or shall destroy the materials, except that copies of filings, official transcripts and exhibits in this proceeding that contain Privileged Materials, and Notes of Privileged Material may be retained, if they are maintained in accordance with Paragraph 6, below. Within such time period each Participant shall also submit to the producing Participant an affidavit stating that, to the best of its knowledge, all Privileged Materials and all Notes of Privileged Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 6. To the extent Privileged Materials are not returned or destroyed, they shall remain subject to this Non-Disclosure Agreement.

6. All Privileged Materials shall be maintained by the Participant in a secure place reasonably designed to prevent unauthorized disclosure. Access to those materials shall be limited to those Reviewing Representatives specifically authorized pursuant to Paragraphs 8-9. For documents submitted to Staff, Staff shall follow the notification procedures of 18 CFR § 388.112 before making public any Privileged Materials.

7. Privileged Materials shall not be used except as necessary to evaluate the filing made in this docket or for the conduct of settlement efforts in this proceeding, nor shall they be disclosed, in any manner to any person except a Reviewing Representative who is engaged in the conduct of this proceeding and who needs to know the information in order to carry out that person's responsibilities in this proceeding. Reviewing Representatives may make copies of Privileged Materials, but such copies become Privileged Materials. Reviewing Representatives may make notes of Privileged Materials, which shall be treated as Notes of Privileged Materials if they disclose the contents of Privileged Materials. Privileged Materials including without limitation when associated with any information that can reasonably be used to identify an individual, consumer, family, household, residence or non-residential customer shall be protected by each Participant using reasonable security procedures and practices to protect such information from unauthorized access, use, modification or disclosure, including, without limitation, encryption of the Privileged Materials, password-protected workstations, and documented training of all persons with access to the Privileged Materials. Under no circumstances shall any Participant receiving Privileged Materials sell or obtain any consideration for transfer of the Privileged Materials to any third party.

8. (a) If a Reviewing Representative's scope of employment includes the marketing of energy, the direct supervision of any employee or employees whose duties include the marketing of energy, the provision of consulting services to any person whose duties include the marketing of energy, or the direct supervision of any employee or employees whose duties include the marketing of energy, such Reviewing Representative may not use information contained in any Privileged Materials obtained through this proceeding to give any Participant or any competitor of any Participant a commercial advantage.

(b) In the event that a Participant wishes to designate as a Reviewing Representative a person not described in Paragraph 3 (d) above, the Participant shall seek prior written agreement from the Participant providing the Privileged Materials. If an agreement is

reached, that person shall be a Reviewing Representative pursuant to Paragraphs 3(d) above with respect to those materials. If no agreement is reached, that person shall not be given access to Privileged Materials.

9. (a) A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise be permitted access to Privileged Materials pursuant to this Non-Disclosure Agreement unless that Reviewing Representative has first executed a Non-Disclosure Certificate; provided, that if an attorney qualified as a Reviewing Representative has executed such a certificate, the paralegals, secretarial and clerical personnel under the attorney's supervision or control need not do so. A copy of each executed Non-Disclosure Certificate shall be provided to counsel for the Participant asserting confidentiality prior to disclosure of any Privileged Material to that Reviewing Representative.

(b) Attorneys qualified as Reviewing Representatives are responsible for ensuring that persons under their supervision or control comply with this Agreement.

10. Any Reviewing Representative may disclose Privileged Materials to any other Reviewing Representative as long as the disclosing Reviewing Representative and the receiving Reviewing Representative both have executed a Non-Disclosure Certificate. In the event that any Reviewing Representative to whom the Privileged Materials are disclosed ceases to be engaged in these proceedings or is employed or retained for a position whose occupant is not qualified to be a Reviewing Representative under Paragraph 3(d), access to Privileged Materials by that person shall be terminated. Even if no longer engaged in this proceeding, every person who has executed a Non-Disclosure Certificate shall continue to be bound by the provisions of this Non-Disclosure Agreement and the certification.

11. Nothing in this Non-Disclosure Agreement shall be construed as precluding any Participant from objecting to the use of Privileged Materials on any legal grounds.

12. Nothing in this Non-Disclosure Agreement shall be deemed to preclude any Participant from independently seeking through discovery in any other administrative or judicial proceeding information or materials produced in this proceeding under this Non-Disclosure Agreement.

13. None of the Participants waives the right to pursue any other legal or equitable remedies that may be available in the event of actual or anticipated disclosure of Privileged Materials.

14. The contents of Privileged Materials or any other form of information that copies or discloses Privileged Materials shall not be disclosed to anyone other than in accordance with this Non-Disclosure Agreement and shall be used only in connection with evaluating the filing made in this docket or in connection with settlement discussions in this proceeding.

15. Notwithstanding the provisions of this Non-Disclosure Agreement, the following applies only with regard to the California Public Utilities Commission ("CPUC"):
(a) Nothing in this Agreement precludes a Reviewing Representative of the CPUC from sharing Privileged Materials, Notes of Privileged Materials, or information derived from Privileged Materials, with their supervisors, CPUC Commissioners, Commissioner advisors, or other CPUC staff (collectively "CPUC Personnel") as occurs in the normal course of confidential communications within the CPUC and without individually designating such CPUC Personnel as Reviewing Representatives.

(b) If Privileged Materials, Notes of Privileged Materials, or information derived from Privileged Materials are provided to CPUC Personnel, the individual(s) receiving the Privileged Materials shall be informed of the terms of this Non-Disclosure Agreement and shall be informed that they are to maintain the Privileged Materials, Notes of Privileged Materials, or information derived from Privileged Materials as confidential consistent with the terms of this Non-Disclosure Agreement. In addition, all Privileged Materials, Notes of Privileged Materials, or information derived from Privileged Materials provided to CPUC Personnel shall be marked to indicate that Privileged Materials are being provided subject to the terms of this Non-Disclosure Agreement.

16. This Agreement shall be governed and construed according to the laws of the State of California. Participants agree to comply with all applicable federal, state and local laws governing the protection of the Privileged Materials, including, without limitation, the California Consumer Privacy Act and all applicable laws, rules and regulations protecting consumer privacy.

End

PG&E WHOLESALE DISTRIBUTION
NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Privileged Materials is provided to me pursuant to the terms and restrictions of the Exhibit A - PG&E Wholesale Distribution Tariff Non-Disclosure Agreement in this proceeding (Docket No._____), that I have been given a copy of and have read the Non-Disclosure Agreement, and that I agree to be bound by it. I understand that the contents of the Privileged Materials, any notes or other memoranda, or any other form of information that copies or discloses Privileged Materials, shall not be disclosed to anyone other than in accordance with that Non-Disclosure Agreement.

By: _____

Printed Name: _____

Title: _____

Employer:

Representing Participant: _____

Date: _____

Email: _____

Pacific Gas and Electric Company
Wholesale Distribution Tariff

Appendix I: Wholesale Distribution Wildfire Liability Cost Recovery Formula Rate
Attachment 2: Model

Pacific Gas and Electric Company
Wholesale Distribution Tariff
Appendix I: Wholesale Distribution Wildfire Liability Cost Recovery Formula Rate
Attachment 2: Model

Table of Contents

Schedule	**Description**
1-WildfireLiabCostRecvry	Wildfire Liability Cost Recovery

Pacific Gas and Electric Company
Formula Rate Model

FORMATTING:

Shading and Labeling
In the Schedules, those cells shaded in gold are inputs to the Model and change for each Annual Update.
Cells labeled as Sources or Notes are subject to revision pursuant to Section 8 of the Protocols.

Number Format
Excel "Currency" number format is used.

Reference Order

Reference order: line number, column number, note number.

Workpaper Naming Conventions

Workpaper names are prefaced with "WP_" followed by the tab name to which it corresponds (e.g.: WP_1-WildfireCostsAandG).

REFERENCES:

REFERENCE	FORM OF REFERENCE	EXAMPLE	NOTES
Column	col (column #)	col 6	
Line (internal reference)	Line (line #)	Line 200	Internal reference – source within the same Schedule
Line (external reference)	L. (line #)	L. 25	External reference – source outside the Schedule or Workpaper sheet
Note	Note(s) (note #, if provided)	Note 1	
Schedule	(schedule name)	1-WildfireLiabCostRecvry	Nothing precedes the schedule name
Line for extra data		Add additional lines if needed.	

Pacific Gas And Electric Company
Wholesale Distribution Tariff - Appendix I: Wholesale Distribution Wildfire Liability Cost Recovery Formula Rate
1-Wildfire Liability Cost Recovery

Rate Year
Prior Year

Line	col 1	col 2	col 3	col 4	col 5	col 6	Line
	A. Wholesale Distribution Wildfire Liability Costs Recovery by Customers in Rate Year						
	Allocation to Existing Distribution Customers	**Allocation Percentage per WDT S5.1; WDT4 Settlement S4.3.1**	**Annual Wholesale Distribution Wildfire Liability Recovery**	**Source**	**Monthly Wholesale Distribution Wildfire Liability Recovery**		
100	Total	Note 4	$0.00	Sum of Line 101 to 105 and additional lines added if any	$0.00	col 3 / 12	**100**
101	CCSF	44.01%	$0.00	Line 200 * Col 2	$0.00	col 3 / 12	**101**
102	PWRPA	1.24%	$0.00	Line 200 * Col 2	$0.00	col 3 / 12	**102**
103	Shelter Cover	0.30%	$0.00	Line 200 * Col 2	$0.00	col 3 / 12	**103**
104	WAPA	54.42%	$0.00	Line 200 * Col 2	$0.00	col 3 / 12	**104**
105	Westside	0.03%	$0.00	Line 200 * Col 2	$0.00	col 3 / 12	**105**

	B. Wholesale Distribution Wildfire Liability Costs			
	Description	**Values**	**Source**	
200	Allocation to existing customers	$0.00	(Line 201 + Line 204) * Line 205	**200**
201	Electric Distribution Wildfire Liability Costs	$0.00	Line 202 + Line 203	**201**
202	Electric Distribution Administrative and General Expenses Resulting from a Wildfire (WDT S2.16 (1))	$0.00	Line 202a * Line 202b	**202**
202a	Adjusted Recorded Total Company Administrative and General Expenses Resulting from a Wildfire		WP_1-WildfireCostsAandG, L. 100	**202a**
202b	Electric Distribution Wildfire Liability Cost Allocation Factor	70.00%	Fixed per WDT, S2.4; WDT4 Settlement S4.3.1	**202b**
203	Costs Incurred in Relation to the Operation of the captive insurance company (WDT S2.16 (2))		WP_2-OperatingCosts, L. 100	**203**
204	Adjustments to Correct Errors in Previously Filed Distribution Wildfire Liability Costs (Workpaper support for the input shall be provided. See also Note 5.)		Additional PG&E Workpaper	**204**
205	Allocation Factor to existing WDT customers	0.6200%	Fixed per WDT S5.1; WDT4 Settlement S4.3.1	**205**

Note(s):

(1) The purpose of this Formual Rate is to recover the Wildfire Liability Costs for Prior Years effective from effective date of this Formula Rate. See note (2) for definitions of Wildfire Liability Costs.

(2) Wildfire Liability Costs are costs associated with wildfires ignited on or after May 25, 2025 with the scope of costs defined as follows:
1. Administrative and general expenses resulting from a wildfire, including costs for liability claims, judgments, settlements, court costs, associated legal fees and other applicable costs that are covered by wildfire insurance issued by PG&E's captive insurance company, Pacific Energy Risk Solutions, LLC (PERS), or its successor. The Wildfire Liability Cost Allocator applies to wildfires that ignite on or after May 25, 2025, the effective date of WDT4.
2. The costs incurred in relation to the operation of the captive insurance company, Pacific Energy Risk Solutions, LLC (PERS), for the management of the wildfire self insurance program, including the captive management fee, investment management fee, audit fee, formation expenses, license fees, legal services, non-admitted insurance tax, bank fees, and similar costs for the management of the captive that may arise in the future.

(3) Per WDT4 Settlement, PG&E shall submit it's first Wildfire Liaiblity Costs Recovery Formula Rate for Rate Year 2028 for accrued costs in Prior Year 2025 and 2026. Thereafter, an annual update shall be submitted to set rates for the following year.

(4) The Allocation Percentages are based on the WDT4 Offer of Settlement and may change based on S205 filing for conditions as described in the WDT4 Offer of Settlement.

(5) Adjustments to Previously Filed Distribution Wildfire Liability Costs are corrections to the Distribution Wildfire Liability Costs for "errors" regarding the Formula Rate as defined in the WDT, Appendix I, Attachment 1, Section 2.5.

APPENDIX II:
WHOLESALE DISTRIBUTION CHARGES

1. CUSTOMER SERVICE CHARGE

A Distribution Customer Service Charge of a fixed amount per month, shall be assessed to reimburse the Distribution Provider for its costs of labor and supervision for billing services which it provides to the Distribution Customer for each specified Service Point of Delivery, including, among other things, accounting for reactive power and distribution facilities usage as provided in this Tariff. The Customer Service Charge for Rate Year 2025 for respective existing Distribution Customer are listed below.

For a new Distribution Customer not listed below, the Customer Service Charge is to be the product of the estimated average monthly labor in hours and the hourly rate of $155.53 in Rate Year 2025 escalated annually by 3.0% on January 1, 2026, and each year thereafter on January 1, for the term of this tariff. The labor required will vary with the specific services required. An individual study may be required to determine the estimated average monthly labor hours which will be included in the Service Agreement.

Monthly Customer Service Charge:						
	CCSF (SA No. 275)	**Port of Oakland (SA No. 3)**	**PWRPA (SA No. 56)**	**Shelter Cove (SA No. 382)**	**WAPA (SA No. 17**	**Westside (SA No. 15)**
Rate Year 2025	$6,221.37	$544.37	$544.37	$544.37	$6,999.04	$544.37
3.0% Annual Escalation Factor after 2025						

	New Distribution Customer Customer Service Charge Hourly Rate
Rate Year 2025	$155.53
3.0% Annual Escalation Factor after 2025	

2. DISTRIBUTION SERVICE CHARGE

The Distribution Provider shall charge the Distribution Customer monthly for its use of the Distribution Provider's Distribution Facilities which is determined as the product of the Distribution Customer's total Non-Coincident Peak Demand for its Point(s) of Delivery and the Distribution Customer's applicable Distribution Rate(s) in effect during the period of service.

The Non-Coincident Peak Demand represents the Distribution Customer's highest monthly demand irrespective of the date or time the peak occurred in that month. For Distribution Customers with more than one Point of Interconnection, the Non-Coincident Peak is a sum of each Point of Interconnection's highest monthly demand irrespective of the date or time the peak occurred in that month.

The Point of Interconnection includes (1) the point of interconnection of the Direct Assignment Facilities to PG&E's Distribution system is at primary voltage; and (2) the PG&E-owned secondary facilities are all Direct Assignment Facilities, i.e., for the sole use and benefit of the Distribution Customer, the service shall be primary service. The billing determinant is determined as Metered Quantities plus distribution losses applicable to specific Service Agreements. The monthly charge is calculated as the product of the Distribution Customer's primary distribution rate, and secondary distribution rate if applicable, and the Distribution Customer's billing determinants for primary and secondary, if applicable, at that location.

The Distribution Service Rates for existing and new Distribution Customers for 2025 are listed below. The 2025 primary and secondary rates below will be escalated or increased by 3.0 percent per year beginning 2026, on January 1, 2026, and on January 1 of each year thereafter, for the term of this tariff.

Primary Rates						
	CCSF (SA No. 275)	**PWRPA (SA No. 56)**	**Shelter Cove (SA No. 382)**	**WAPA (SA No. 17**	**Westside (SA No. 15)**	**New Distribution Customer**
Rate Year 2025	$10.9455	$13.7125	$14.6680	$12.7127	$14.7675	$12.0734
3.0% Annual Escalation Factor after 2025						

Secondary Rates		
	CCSF (SA No. 275)	**WAPA (SA No. 17)**
Rate Year 2025	$18.0375	$21.185
3.0% Annual Escalation Factor after 2025		

3. COST OF OWNERSHIP CHARGE

The Cost of Ownership reflects the Distribution Provider's on-going cost liabilities of owning and operating Direct Assignment Facilities, including such items as maintenance costs, replacement costs (due to age and normal life and deterioration), and ad valorem taxes. The Cost of Ownership charge is the product of the actual installation costs, which include facilities installed by the Distribution Provider plus facilities installed by the Distribution Customer or others, if any, that are deeded to the Distribution Provider, and the monthly Cost of Ownership rate of 0.80%. An estimate of the specific Cost of Ownership charge will be determined by the Distribution Provider and included in the Service Agreement.

The Cost of Ownership rate for the one-time payment option will be derived from the monthly rate as follows: Cost of Upgrade x 0.80% (cost of ownership rate) x 12 (months in a

year) x 14.73 (present worth factor).

The Cost of Ownership charge will be trued-up to the actual installation costs upon the Distribution Provider's completion of the facilities required to provide Distribution Service to the Distribution Customer.

4. OTHER MATTERS

4.1 Depreciation Rates

Distribution Provider shall use the authorized CPUC depreciation rates for Electric Distribution Plant and Common, General, and Intangible Plant. Distribution Provider will make a Filing to conform the depreciation rates within 120 days of a CPUC final unappealable decision authorizing revised depreciation rates including depreciation rates for new Electric Distribution asset classes. In a proceeding commenced under this Section, the issues that can be addressed are whether the depreciation rates are just and reasonable. The Commission may at its discretion broaden the scope of a filing related to changes in the CPUC-authorized depreciation rates. The currently authorized depreciation rates are as follows:

Functional Electric Distribution Depreciation Rates

FERC Plant Account	Asset Class	Asset Class Description	Annual Depreciation Rate
360	EDP36001	LAND	0.00%
360	EDP36002	LAND RIGHTS	3.14%
361	EDP36101	STRUCTURES AND IMPROVEMENTS	1.59%
361	EDP36102	STRUCTURES AND IMPROVEMENTS - EQUIPMENT	1.73%
362	EDP36200	STATION EQUIPMENT	2.66%
364	EDP36400	POLES, TOWERS AND FIXTURES	5.57%
365	EDP36500	OVERHEAD CONDUCTORS AND DEVICES	3.30%
366	EDP36600	UNDERGROUND CONDUIT	2.17%
367	EDP36700	UNDERGROUND CONDUCTORS AND DEVICES	2.87%
368	EDP36801	LINE TRANSFORMERS - OVERHEAD	3.99%
368	EDP36802	LINE TRANSFORMERS - UNDERGROUND	3.44%
369	EDP36901	SERVICES - OVERHEAD	3.16%
369	EDP36902	SERVICES - UNDERGROUND	2.14%
370	EDP37000	METERS	12.28%

FERC Plant Account	Asset Class	Asset Class Description	Annual Depreciation Rate
370	EDP37001	METERS	12.28%
371	EDP37100	INSTALLATIONS ON CUSTOMERS' PREMISES	0.00%
371	EDP37101	ELECTRIC CHARGING STATION	9.65%
371	EDP37102	ELECTRIC VEHICLE CHARGING INFRASTRUCTURE ON CUSTOMERS' PREMISE	3.66%
372	EDP37200	LEASED PROPERTY ON CUSTOMERS' PREMISES	0.00%
373	EDP37301	STREETLIGHT OVERHEAD CONDUCTOR	3.93%
373	EDP37302	STREETLIGHT CONDUIIT/CABLE	3.07%
373	EDP37303	STREETLIGHT LAMPS/EQUIPMENT	3.00%
373	EDP37304	STREETLIGHT ELECTOLIERS	3.89%
363.1	EDP36310	Electric Distribution: Computer Hardware	24.87%
363.1	EDP36311	Electric Distribution: Personal Computers	2.06%
363.1	EDP36312	Electric Distribution: SCADA Hardware 15 years	6.94%
363.1	EDP36313	Electric Distribution: SCADA Hardware 20 years	4.86%
363.1	EDP36314	Electric Distribution: SCADA Hardware 7 years	14.04%
363.2	EDP36320	Electric Distribution: Computer Software 5 years	17.19%
363.2	EDP36321	Electric Distribution: Computer Software 13 years	10.05%
363.2	EDP36322	Electric Distribution: Computer Software 5 years	24.50%
363.3	EDP36330	Electric Distribution: Communication Equipment - Non-Computer Based	14.04%
363.3	EDP36331	Electric Distribution: Communication Equipment - Computer Based	20.20%
363.3	EDP36332	Electric Distribution: Communication Equipment - Radio Systems	14.71%
363.3	EDP36333	Electric Distribution: Communication Equipment - Voice Systems	14.98%
363.3	EDP36334	Electric Distribution: Communication Equipment - Transmission Systems	4.86%
363.3	EDP36335	Distribution Plant: Advanced Metering Infrastructure Communication Network	10.27%
363.3	EDP36337	Electric Distribution: Advanced Metering Infrastructure Communication Network	10.27%
363.3	EDP36338	Electric Distribution: Communication Equipment	6.94%
363.3	EDP36339	Distribution Plant: Communication Equipment	6.94%

Common, General, & Intangible Plant Depreciation Rates

FERC Plant Account	Asset Class	Asset Class Description	Annual Depreciation Rate
301	CMP30101	Organization	0.00%
302	CMP30200	Intangible Plant: Franchise	0.00%
302	EIP30200	Franchises & Consents	2.33%
302	EIP30201	Franchises & Consents	2.33%
302	GIP30202	Franchises & Consents	0.65%
303	CMP30301	Intangible Plant: Miscellaneous	3.36%
303	CMP30302	Computer Software	17.19%
303	CMP30304	Computer Software - CIS	10.05%
303	EIP30301	USBR - Limited Term Electric	0.00%
303	EIP30303	Computer Software	24.50%
303	GIP30301	Miscellaneous	0.00%
303	GIP30302	Computer Software	20.00%
303	GIE30302	Miscellaneous Intangible Plant	3.26%
389	CMP38901	Land	0.00%
389	CMP38902	Land Rights	2.60%
389	EGP38901	Land	0.00%
389	EGP38902	Land Rights	3.02%
389	GGE38902	Land Rights	2.96%
389	GGP38901	Land	0.00%
389	GGP38902	Land Rights	2.96%
390	CMP39000	Structures & Improvements	2.06%
390	CMP39001	Comm Plant: Leasehold Impr	21.85%
390	EGP39000	Structures & Improvements	1.92%
390	GGE39000	Structures & Improvements	2.03%
390	GGP39000	Structures & Improvements	2.03%
391	CMP39101	Office Machines & Computer Eqpt	24.87%
391	CMP39102	PC Hardware	2.06%
391	CMP39103	Office Furniture & Equipment	6.69%
391	CMP39104	Off Mach & Computer Eqpt - CIS	24.87%
391	EGP39100	Office Furniture & Equipment	5.80%
391	GGE39100	Office Furniture & Equipment	4.98%
391	GGP39100	Office Furniture & Equipment	4.98%
391	GGS39100	Office Furniture & Equipment	5.00%
392	CMP39201	Aircraft	2.51%
392	CMP39202	Class P	15.94%
392	CMP39203	Class C - 2	10.30%
392	CMP39204	Class C - 4	9.90%
392	CMP39205	Class T - 1	9.37%

FERC Plant Account	Asset Class	Asset Class Description	Annual Depreciation Rate
392	CMP39206	Class T - 3	8.58%
392	CMP39207	Class T - 4	7.06%
392	CMP39208	Vessels	5.56%
392	CMP39209	Trailers	3.41%
392	GGS39210	Transportation Equipment - Licensed	0.00%
392	GGS39220	Transportation Equipment - Non-licensed	0.00%
393	CMP39300	Stores Equipment	6.01%
393	GGS39300	Stores Equipment	5.00%
394	CMP39400	Shop Equipment	3.53%
394	CMP39401	Technological Tools	39.54%
394	EGP39400	Shop Equipment	3.98%
394	GGE39400	Shop Equipment	4.06%
394	GGP39400	Shop Equipment	4.06%
394	GGS39400	Tools/Shop/Work Equipment	4.00%
395	CMP39500	Laboratory Equipment	6.11%
395	EGP39500	Laboratory Equipment	4.62%
395	GGE39500	Laboratory Equipment	5.02%
395	GGP39500	Laboratory Equipment	5.02%
395	GGS39500	Laboratory Equipment	5.00%
396	CMP39600	Power Operated Equipment	5.30%
396	EGP39600	Power Operated Equipment	0.00%
396	GGE39600	Power Operated Equipment	0.00%
396	GGP39600	Power Operated Equipment	0.00%
397	CMP39701	Communication - Common Eqpt	14.04%
397	CMP39702	Communication - Data Systems	20.20%
397	CMP39703	Communication - Radio Systems	14.71%
397	CMP39704	Communication - Voice Systems	14.98%
397	CMP39705	Communication - Transm Systems	4.86%
397	CMP39706	Comm - Transm Sys AMI-G	11.32%
397	CMP39707	Comm - Transm Sys AMI-E	6.19%
397	CMP39708	Communication Network	10.27%
397	EGP39700	Communication Equipment	6.94%
397	EGP39708	SM Elect Netwk Equip	8.22%
397.1	EGP39710	Elec General Computer Hardware	24.87%
397.1	EGP39711	General Personal Computer	2.06%
397.2	EGP39720	Elec General Computer Software 5 yrs	17.19%
397.3	EGP39735	Elec General: Comm Equip (FPP)	6.94%
397	GGP39700	Communication Equipment	6.83%

FERC Plant Account	Asset Class	Asset Class Description	Annual Depreciation Rate
397	GGP39708	SM Gas Netwk Equip	8.28%
398	CMP39800	Miscellaneous Equipment	5.20%
398	EGP39800	Miscellaneous Equipment	4.84%
398	GGE39800	Miscellaneous Equipment	6.04%
398	GGP39800	Miscellaneous Equipment	6.04%
398	GGS39800	Miscellaneous Equipment	5.00%
399	CMP39900	OTHER TANGIBLE PROPERTY	0.00%
399	GGE39900	LINE 401 GAS GENERAL PLANT - OTHER TANGIBLE PROPERTY	0.00%
399	GGP39900	GAS GENERAL PLANT - OTHER TANGIBLE PROPERTY	0.00%

4.2 Non-bypassable Charges Stranded Costs

Distribution Provider may make a Filing to recover non-bypassable charges as described in Section 19.2 of this Tariff. In a proceeding commenced under this Section, the issues that can be addressed are whether the changes proposed by PG&E: (1) address the circumstances described in this sub-Section; and (2) are just and reasonable. The Commission may at its discretion broaden the scope of such a filing.

4.3 Amortization of Excess Deferred Federal Income Taxes

Distribution Provider will make a Filing to revise its accounting for timing differences between Costs of Removal and Method Life as appropriate. In a proceeding commenced under this Section, the issues that can be addressed are whether the changes proposed by Distribution Provider: (1) address the circumstances described in this sub-Section; and (2) are just and reasonable.

4.4 Term

Appendix II, Wholesale Distribution Charges, shall remain in effect without termination, unless the Commission modifies or replaces Appendix II, Wholesale

Distribution Charges, subject to the terms of section 2.20 of the Tariff.

ATTACHMENT A:
Form Of Service Agreement For Wholesale Distribution Service

1.0 This Service Agreement, dated as of_____, is entered into, by and between _____ (the "Distribution Provider"), and _____ ("Distribution Customer").

2.0 The Distribution Customer has been determined by the Distribution Provider to be an Eligible Customer and to have a Completed Application for Distribution Service under the Wholesale Distribution Tariff.

3.0 The Distribution Customer has provided to the Distribution Provider an Interconnection Request Fee in accordance with the provisions of Section 13.2 of the Tariff.

4.0 Service under this agreement shall commence on the later of (l) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate in accordance with Section 10.2 of the Tariff or on such date as mutually agreed upon by the parties.

5.0 The Distribution Provider agrees to provide and the Distribution Customer agrees to take and pay for Distribution Service in accordance with the provisions of the Tariff and this Service Agreement.

6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Distribution Provider:

_____

_____

_____

Distribution Customer:

_____

_____

_____

7.0 The Tariff and the attached Details of Service and Exhibits are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Distribution Provider:

By: _____ _____ _____

Name Title Date

Distribution Customer:

By: _____ _____ _____

Name Title Date

Details of Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date (if the Distribution Customer opts for a term other than the standard term): _____

2.0 Description of capacity and energy to be transmitted by Distribution Provider including the electric Control Area in which the transaction originates.

_____

3.0 Point(s) of Receipt : _____

Delivery Party: _____

Delivery voltage: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

Delivery voltage: _____

5.0 Contract Demand:

_____

6.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

6.1 Distribution Service Rate as stated in Appendix I: Formula Rate in the Tariff

6.2 System Impact and/or Facilities Study Charge(s):

_____

_____

6.3 Direct Assignment Facilities Charge:

_____

6.4 Cost of Ownership Charge:

_____

_____

_____

_____

_____

6.5 Customer Service Charge

The Customer Service Charge as stated in Appendix I: Formula Rate of the Tariff.:

7.0 Distribution Customer's Service Data

The Distribution Customer has requested this service to supply their wholesale power requirements as described:

_____ load (load type)

Estimated load is _____ MW monthly peak demand, Summer

Estimated load is _____ MW monthly peak demand, Winter

Include hourly demand profile for the peak Summer day and peak Winter day.

_____

Interconnection Point:_____

Interconnection to Distribution Customer

From: _____

To:_____

Describe and attach a sketch. Delivery Voltage

Delivery Point: if other than to Distribution Customer

Name of Receiving entity _____

Point of Delivery (description) _____

Power Factor data: Base PF ____% Corrected PF ____%

Load Factor: Peak Month, monthly LF. ____%

Average annual LF. ____%

Monthly consumption, kWh(@)Peak Demand month ____kwh

Annual consumption, kWh ____kwh

The Distribution Provider's initially required corrected PF (Section____ of Tariff.)

Peak Load PF _____% @ Specified Time ____

Minimum Load PF ____% @ Specified Time ____

8.0 Stranded Cost Recovery

Pursuant to Section 19 of the Tariff in agreeing to provide Distribution Service under the Tariff, the Distribution Provider may seek to recover stranded costs from the Distribution Customer and the Distribution Provider reserves the right to collect any applicable nonbypassable charges.

9.0 Facilities Required for Distribution Service

The Distribution Provider agrees to provide Distribution Services via its existing Distribution Facilities, with modification as needed, to supply Distribution Customer's load as specified above. In the event it is necessary to extend the Distribution System, with the new installation of facilities, the following describes installation responsibilities:

9.1 Construction Responsibilities of the Distribution Provider

The Distribution Provider shall install the Distribution Facilities needed to interconnect with the Distribution Customer's facilities at the point of interconnection. These facilities include those required related to the Distribution Customer's project, and only those facilities that, in the Distribution Provider's judgment, will be used within a reasonable time to serve permanent load. Such facilities include the installation of conductors, poles, pole risers, switches, devices, and other distribution facilities required to complete the interconnection.

9.2 Construction Responsibilities of Distribution Customer

The Distribution Customer shall perform or arrange for the performance of the following work required for this project:

- Route clearing, tree trimming, trenching, excavating,
- backfilling, and compacting;

- Furnish imported backfill material required and disposal of trench spoil as required;

- Perform necessary surface repair and boring as required;

- Furnish, install, and transfer ownership to the Distribution Provider any substructures, conduits, and protective structures required for Direct Assignment Facilities or Distribution Facilities owned by the Distribution Provider that are required to interconnect the Distribution Customer; and

- Obtain any necessary construction permit for all work performed by Distribution Customer under this Service Agreement.

Description of Distribution Provider-owned Facilities the Distribution Provider is to install, replace, in order to provide the requested Distribution Service:

_____

_____

_____

Description of Direct Assignment Facilities (if any)

_____

_____

10.0 Distribution Customer Payments and Adjustments

10.1 One-Time Payment in Advance of Construction

Distribution Customer shall pay a one-time payment to the Distribution Provider, on demand and in advance of any construction, equal to the total amount shown in Exhibit A - Cost Summary. This cost consists of the following components as determined in the Exhibits:

- Installation Charge - The Distribution Customer agrees to pay the Distribution Provider's total estimated cost of the facilities to serve the Distribution Customer, less credits, if any, as shown on Exhibit B.

- ITCC (CIAC) Tax - The Distribution Customer must pay the taxes on such contributions, in addition to any other applicable contributions, such as facilities installed by the Distribution Customer, and deeded to the Distribution Provider. The determination of the tax due is shown on Exhibit C and is $_____.

10.2 Cost Responsibility for Altered or Rearranged Direct Assignment Facilities and Equitable Adjustments for Connection of Additional Customers

This Section 10.2 shall govern cost responsibility for Direct Assignment Facilities that are to be altered or rearranged. If the Distribution Customer requests alteration or rearrangement of Direct Assignment Facilities, the Distribution Customer shall pay an additional advance and/or rearrangement costs, if any, for any new facilities, plus a revised monthly or equivalent one-time cost of ownership charge. If it becomes necessary for PG&E to alter or rearrange the Direct Assignment Facilities for its own purposes and not at the request of the original Distribution Customer, or if PG&E connects another PG&E customer to the Direct Assignment Facilities, the Distribution Provider shall notify the Distribution Customer, and the Distribution Provider will make an equitable adjustment to the Distribution Customer with respect to the Direct Assignment Facilities. Connection of another customer, including but not limited to another PG&E customer, to a Distribution Customer’s Direct Assignment Facilities will not affect the Distribution Customer’s eligibility for continued wholesale service at the applicable rate as stated in Appendix I: Formula Rate in the Tariff

11.0 Voltage Stability and Interference with Service

Under normal load conditions, the Distribution Provider will deliver sustained voltage as close to the nominal service voltage as is economically practical. Any deviations from the normal voltage levels will be no greater than the service voltage ranges specified in the Distribution Provider's Electric Rule 2 on file with the CPUC. Exceptions to voltage limits are

specified also in Electric Rule 2. The Distribution Customer is responsible for planning, designing, operating, and protecting equipment beyond the interconnection point, in such a fashion as to not interfere with service to other customers, as also set forth in Rule 2.

12.0 Power Factor Requirements

12.1 General

Each Eligible Customer must comply with the VAR requirements as specified in the TO Tariff or in their agreement with the ISO. However, in order to meet local distribution operating needs, PG&E may also, consistent with Section 17.4, require that the Distribution Customer maintain specified power factors at peak load and at minimum load. Generally, such power factor may be the same as, but shall not be required to exceed, the power factor PG&E maintains for that particular area. This may require that fixed, and/or switched capacitors, or other power factor correction devices be installed. The power factor target may vary from time to time as area conditions change. PG&E shall provide information to the Eligible Customer about the required power factors and shall include that information in this Service Agreement.

12.2 Power Factor Maintenance and Future Changes in Target Power Factor

Due to changes in system requirements, the necessary power factor may change from time to time. Upon changes in that required power factor after service is established, PG&E shall provide written notice to the Distribution Customer, and provide ample lead time for corrective action by the Distribution Customer to the extent the need for corrective devices is caused by general system requirements or by said Distribution Customer. In the event that the need for correction devices is caused by other customers, a Distribution Customer need not maintain the power factors at the Interconnection Point, as specified by PG&E, at the Distribution Customer's expense, but PG&E may, at its option, install the necessary distribution capacitors or other power factor correction devices. Costs and payments for such devices will, to the extent applicable, be directly assigned to the Distribution Customer whose load caused the need for the correction devices.

In no event shall a wholesale Distribution Customer be responsible for their reactive requirements (VARS) through the TO Tariff or their ISO agreement and in addition incur responsibility for local distribution power factor correction for the same reactive (VAR) requirements. If local power factor correction is installed at Distribution Customer expense, such reactive support shall be credited to the Distribution Customer's meter readings. (Note: if such installation is on the Distribution Customer's side of the revenue meters, the meter readings already incorporate the correction.)

However, if installation of capacitors is required to correct voltage conditions caused by the Distribution Customer, such installation shall be at the Distribution Customer's expense in accordance with terms of this Tariff, regardless of any other reactive provisions. Such installations may serve to reduce the Distribution Customer's reactive requirements through the ISO.

12.3 Power Factor

The Distribution Provider shall specify a power factor within a bandwidth of 0.95 lagging to 0.95 leading (or, in appropriate circumstances, a less-restrictive bandwidth), and the Distribution Customer will operate at the specified power factor within the following tolerances:

Peak Hours, 12:00 PM to 6:00 PM: ± 0.01

Off-Peak Hours, 6:01 PM to 11:59 AM: ±0.02

In extraordinary circumstances, a more restrictive bandwidth may be specified. A Distribution Customer must, subject to Sections 14.1 and 14.2, maintain at all times the required power factor, except to the extent required to provide reactive power support in accordance with Section 10.9, Self Provision of Ancillary Services, of the Tariff. The power factor for the Distribution Customer is_____.

Distribution

Service Agreement

Exhibit A – Cost Summary

Distribution Customer

_____

Project Name and Location

_____

The total Advance Payment required for the above project prior to start of construction is as follows:

- Installation Charge (From Exhibit B - Installation Charge) $_____
- ITCC Tax (From Exhibit C - ITCC Tax) $_____
- Total (Sum of Installation Charge and ITCC Tax) $_____

In addition, an on-going monthly cost of ownership payment for facilities relevant to this project is required. The payment will be due monthly and included in the monthly billing for Distribution Service.

× Monthly Cost of Ownership
(From Exhibit D - Cost of Ownership) $_____/Month

Distribution

Service Agreement

Exhibit B – Installation Charge

The following is the Distribution Provider's site-specific estimate (Gross Financial Costs -- labor, material, indirect and overhead cost components) for the facilities required to provide Distribution Service to the above project. It excludes any work on the Distribution Provider's facilities which is done for the convenience of the Distribution Provider, such as work to accommodate future system expansion, or capacity increases. Upon completion of the project, the Distribution Provider shall determine the actual cost of installing facilities and shall provide a final accounting to the Distribution Customer. The Distribution Provider shall invoice or refund the Distribution Customer for the difference between the Advance Payment and actual cost for the facilities, plus interest calculated pursuant to 18 C.F.R. § 35.19a.

Description of facilities to be installed:

_____

_____

_____

_____

1. Distribution System Capacity Increases $_____

   (reconductoring, equipment replacement, rearrangements, to accommodate Distribution Customer's initial load)

2. Protection System Modifications $_____

   (installation and reconfiguration of protective devices)

3. Power Factor Correction $_____

   (____KVAR of (_) Fixed, (_) Switched Capacitors required to attain ____% Power Factor)

4.	Voltage Correction Devices (Installation of regulators, boosters, and capacitors)	$_____
5.	Primary Extension Estimated Costs (Poles, conductors, other equipment)	$_____
6.	Revenue Meters (Initial cost to install and the field set up revenue meters, plus the administrative costs of setting up the revenue data retrieval)	$_____
7.	Telecommunications Facilities (Initial payments to telephone company for the installation of phone lines etc, plus related telecommunications work by the Distribution Provider to establish telecom links. Does not include on-going monthly service charges.)	$_____
8.	Total Initial Installation Charge (Sum of 1 through 7)	$_____

Distribution

Service Agreement

Exhibit C – ITCC Tax

1. One-time payment (advance) by Distribution Customer $_____
   (From Exhibit B - Installation Charge)

2. Value of trenching and conduits subject to ITCC $_____
   (Description of facilities)

_____

_____

_____

_____

3. Other applicable contributions subject to ITCC $_____
   (Description)

_____

_____

4. Total taxable amount $_____
   (Sum of Items 1 thru 3)

5. Tax Rate

6. Tax Due Tax Rate (line 5) x Taxable Amount (line 4) = $_____

Distribution

Service Agreement

Exhibit D – Cost of Ownership

The Cost of Ownership is the Distribution Provider's on-going cost liabilities of owning and operating facilities, including such items as maintenance costs, replacement costs (due to age and normal life and deterioration), and ad valorem taxes. The Cost of Ownership charge is the product of the actual installation costs, which include facilities installed by the Distribution Provider plus facilities installed by the Distribution Customer or others, if any, that are deeded to the Distribution Provider and the currently effective Cost of Ownership rate. To the extent that the Cost of Ownership in this Exhibit D is based on estimated facilities costs, the Cost of Ownership shall be trued-up to the actual facilities costs once the final accounting of the cost of the facilities has been performed by the Distribution Provider.

1.	Cost of Facilities Installed by the Distribution Provider (From line 8 of Exhibit B - Installation Charge)	$_____
2.	Cost of Facilities Installed by Distribution Customer or Others and Deeded to the Distribution Provider (Based on Distribution Customer's Gross Financial installed cost)	$_____
3.	Total Cost Basis (Sum of line 1 and line 2)	$_____
4.	Applicable Cost of Ownership Rate As stated in Appendix I: Formula Rate in the Tariff.	_____%
5.	Applicable Monthly Cost of Ownership (line 3 x line 4)	$_____/month

ATTACHMENT B:
Methodology To Assess Available Distribution Capability

1.0 GENERAL

The Distribution Provider utilizes a general on-going distribution planning process. This process yields a forecast of area-specific loads, and loads on major distribution equipment. Comparison of projected loads and capabilities yields the available capability. A more detailed description is provided to cover the specifics.

2.0 PLANNING CRITERIA

Planning criteria requires consideration of both normal and emergency operation of the distribution system. Planning guidelines provide parameters for standardizing the process to the extent possible:

2.1 Normal Criteria

Area distribution systems are planned to include sufficient transmission input, substation capability, and distribution circuit capability to supply the forecasted loads without overloading any Distribution Facilities or deviating from normal operating conditions.

2.2 Emergency Criteria

Area distribution systems are planned for emergency conditions such as the loss (failure) of a component, so that the remaining Distribution Facilities can supply the load without exceeding their emergency capabilities.

3.0 SELECTION OF DISTRIBUTION STUDY AREAS

To perform distribution studies most effectively and conveniently, the distribution system is divided into study areas. The boundaries for study areas are determined based on natural geographic features, such as rivers or mountains, and electrical boundaries, such as the physical end of the distribution system. Consideration is also given to load distribution, growth rate

characteristics, primary distribution voltage, and distribution ties between substations. An ideal study area would have uniform load distribution, uniform growth rate, a single primary distribution voltage, strong distribution ties between substations in the study area, and no ties outside the study area.

4.0 LOAD FORECASTING

Load forecasts are prepared for each study area described in Section 3.0 above. Such forecasts are prepared based on historical seasonal peak load growth in the area in combination with forecasted changes in the economy, new incoming industry, or developments, and closures. Efforts involve forecasting magnitude and location of expected loads as accurately as possible to ensure the adequacy of facilities in the total area as well as locally.

To forecast loads, usually historical load data is used for several years to develop linear load projections using least squares curve fitting. Such projections are adjusted based on anticipated changes in the area to reflect government planning information, customer growth trends, land-use constraints, temperature data, and other relevant factors.

This process is particularly helpful in forecasting area loads. The forecasted loads on individual substations, down to the distribution feeder level, are determined as a continuation of the process except more localized information is of greater value.

5.0 CAPABILITY OF FACILITIES

Load-carrying capability of the various components of the existing distribution system is an integral element of the process. The capability limits for a distribution substation are generally determined by the capability of the transformer banks in the substation. In some cases, the substation capability may be limited instead by the incoming transmission lines or the distribution circuits emanating from the substation to the loads.

The normal capability is determined for each substation transformer, and distribution circuit along with the emergency capability which is much higher. These capabilities are usually determined by the temperature rise limitations of the transformer and circuit components, and are affected by ambient temperatures as well as loading.

6.0 AVAILABLE CAPABILITY

By comparing equipment forecasted loads, including the Distribution Customer’s request, with equipment capability for the season and year in question, the available capability can be determined. If the load forecasts were recently completed, and the forecasted period is in the near future, accuracy of the available capability may be comparatively high. In this case, if the available capability is high in comparison to the Distribution Customer's requested load, one may confidently decide the ability to supply the requested service. On the other hand, if the forecast is old, meaning it is almost time to produce a new analysis, the data used to make the forecast is less than ideal, or if the period in question is in the distant future, then the confidence in the accuracy of the analysis is somewhat diminished. In these cases, a more detailed or updated analysis, may be necessary. This becomes particularly the case if the available capability is also very close to the Distribution Customer's request, and the safety margin is very small.

ATTACHMENT C:
Methodology for Completing a System Impact Study

1.0 GENERAL

Determination of the available capability also effectively identifies limiting factors in supplying forecasted loads. Based on these limitations, and through the use of sound engineering judgment and consideration of economic analysis, corrective plans can be made.

2.0 DEVELOPMENT OF ALTERNATIVE PLANS

With a clear identification of the limiting factors, engineering personnel develop several plans that correct the identified deficiencies and are sufficient for several future planning cycles. Usually the more costly the equipment required, the longer the period the study must cover to provide ample lead time to implement the plans and strive for equivalency among the alternatives. Other factors, such as governmental and regulatory restraints, other agencies plans and requirements, as well as environmental factors, are also taken into account in developing the alternatives.

3.0 ECONOMIC COMPARISON OF ALTERNATIVES AND PLAN SELECTION

Usually the next and final step is to select the most economic plan. Such selection involves utility economics in the comparison of levelized revenue requirements or net present value of the alternatives considered. Ultimately, the alternative with the lowest overall cost, or conversely, the greatest overall benefit, is selected as the recommended alternative.

Completion of the System Impact Study constitutes an analysis of the Distribution System and major Distribution Facilities required to provide adequate capability. Subsequently, further detailed engineering is required to prepare construction drawings, material lists for construction, and companion cost estimates and responsibilities.

ATTACHMENT D:
Wholesale Distribution Losses

1.0. POWER (DEMAND) LOSSES

The demand losses, expressed in kW, attributable to a given load are those losses created by the load in question. This is the total losses with existing load plus the load in question, less the existing losses without the added load. These losses are site-specific calculations and are as follows:

Losses, kW = 3 IT2R – 3 IB2R

Where,

I_T = Total load current in one wire, in amps. (The current for the existing base load plus the load in question.)

I_B = Base load current in one wire, in amps. (Existing load without the load in question.)

I_L = Load current in one wire, in amps for the load in question.

R = Resistance of one wire (phase) in the path from the point of receipt to the point of delivery.

If there are multiple sections of circuitry in the path to the point of delivery, with substantially different characteristics, either load current or resistance, the losses must be considered for each line section, and then combined with all other line sections in the path.

Energy losses are simply the hourly kW losses accumulated over the period in question and expressed in kWhs.

To simplify the calculations, PG&E has historically used system average energy and power loss factors developed from a specific study of losses. PG&E will use those system average loss factors in the determination of losses, both energy and power, as applicable to this

tariff based upon system average loss factors as specified in PG&E's latest Test Year Filing. (See page BB-3 of Volume 4, Workpapers, in Docket No. OA96-28-000.)

The Distribution loss factors are:

	Demand Loss Factor	Energy Loss Factor
Primary System	1.83%	1.25%
Secondary System	2.66%	3.62%

Demand Losses

Primary Distribution Demand Losses:

1000kW x 1.83% = 18.3kW (at peak load)

Secondary Distribution (If secondary service is involved)

1000kW x 2.66% = 26.6kW (at peak load)
18.3kW + 26.6kW = 44.9kW

Then, Total Distribution Losses would be 44.9 kW

Energy Losses

Annual Energy Consumption = 1000kW x .65 Load Factor x 8760 hrs/yr

= 5,694,000kWh

Primary Distribution Energy Losses:

5,694,000kWh x 1.25% = 71,175kWh (at peak load)

Secondary Distribution Energy Losses: (If secondary service is involved)

5,694,000kWh x 3.62% = 206,123kWh (at peak load)
71,175kWh + 206,123kWh = 277,298kWh

Then, Total Distribution Energy Losses would be 277,298kWh

ATTACHMENT E:
Small Generator Interconnection Procedures (SGIP)

(For Generating Facilities No Larger Than 20 MW)

Section 1. Application

1.1 Applicability

1.1.1 A request to interconnect a certified Small Generating Facility (See Attachments 3 and 4 for description of certification criteria) no larger than 2 MW shall be evaluated under the section 2 Fast Track Process. A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kW shall be evaluated under the Attachment 5 10 kW Inverter Process. A request to interconnect a Small Generating Facility larger than 2 MW but no larger than 20 MW or a Small Generating Facility that does not pass the Fast Track Process or the 10 kW Inverter Process, shall be evaluated under the section 3 Study Process.

1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of these procedures.

1.1.3 Neither these procedures nor the requirements included hereunder apply to Small Generating Facilities interconnected or approved for interconnection prior to 60 Business Days after the effective date of these procedures.

1.1.4 Prior to submitting its Interconnection Request (Attachment 2), the Interconnection Customer may ask the Distribution Provider's interconnection contact employee or office whether the proposed interconnection is subject to these procedures. The Distribution Provider shall respond within 15 Business Days.

1.1.5 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. The Federal Energy Regulatory Commission expects all Distribution and Transmission Providers, market participants, and Interconnection Customers

interconnected with electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

1.1.6 References in these procedures to interconnection agreement are to the Small connection Agreement (SGIA).

1.2 Pre-Application

The Distribution Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Distribution Provider's Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Distribution Provider's Distribution System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The Distribution Provider shall comply with reasonable requests for such information.

1.3 Interconnection Request

The Interconnection Customer shall submit its Interconnection Request to the Distribution Provider, together with the processing fee or deposit specified in the Interconnection Request. The Interconnection Request shall be date- and time-stamped upon receipt. The original date- and time-stamp applied to the Interconnection Request at the time of its original submission shall be accepted as the qualifying date- and time-stamp for the purposes of any timetable in these procedures. The Interconnection Customer shall be notified of receipt by the Distribution Provider within three Business Days of receiving the Interconnection Request. The Distribution Provider shall notify the

Interconnection Customer within ten Business Days of the receipt of the Interconnection Request as to whether the Interconnection Request is complete or incomplete. If the Interconnection Request is incomplete, the Distribution Provider shall provide along with the notice that the Interconnection Request is incomplete, a written list detailing all information that must be provided to complete the Interconnection Request. The Interconnection Customer will have ten Business Days after receipt of the notice to submit the listed information or to request an extension of time to provide such information. If the Interconnection Customer does not provide the listed information or a request for an extension of time within the deadline, the Interconnection Request will be deemed withdrawn. An Interconnection Request will be deemed complete upon submission of the listed information to the Distribution Provider.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Small Generating Facility not agreed to in writing by the Distribution Provider and the Interconnection Customer may be deemed a withdrawal of the Interconnection Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken.

1.5 Site Control

Documentation of site control must be submitted with the Interconnection Request. Site control may be demonstrated through:

1.8.1 Ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Small Generating Facility;

1.8.2 An option to purchase or acquire a leasehold site for such purpose; or

1.8.3 An exclusivity or other business relationship between the Interconnection Customer and the entity having the right to sell, lease, or grant the Interconnection Customer the right to possess or occupy a site for such purpose.

1.6 Queue Position

The Distribution Provider shall assign a Queue Position based upon the date- and time-stamp of the Interconnection Request. The Queue Position of each Interconnection Request will be used to determine the cost responsibility for the Upgrades necessary to accommodate the interconnection. The Distribution Provider shall maintain a single queue per geographic region. At the Distribution Provider's option, Interconnection Requests may be studied serially or in clusters for the purpose of the system impact study.

1.7 Interconnection Requests Submitted Prior to the Effective Date of the SGIP

Nothing in this SGIP affects an Interconnection Customer's Queue Position assigned before the effective date of this SGIP. The Parties agree to complete work on any interconnection studyagreement executed prior the effective date of this SGIP in accordance with the terms and conditions of that interconnection study agreement. Any new studies or other additional work will be completed pursuant to this SGIP.

Section 2. Fast Track Process

2.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with the Distribution Provider's Distribution System if the Small Generating Facility is no larger than 2 MW and if the Interconnection Customer's proposed Small Generating Facility meets the codes, standards, and certification requirements of Attachments 3 and 4 of these procedures, or the Distribution Provider has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

2.2 Initial Review

Within 15 Business Days after the Distribution Provider notifies the Interconnection Customer it has received a complete Interconnection Request, the Distribution Provider

shall perform an initial review using the screens set forth below, shall notify the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Distribution Provider's determinations under the screens.

2.2.1 Screens

2.2.1.1 The proposed Small Generating Facility's Point of Interconnection must be on a portion of the Distribution Provider's Distribution System that is subject to the Tariff.

2.2.1.2 For interconnection of a proposed Small Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Small Generating Facility, on the circuit shall not exceed 15 % of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Distribution Provider's electric system connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

2.2.1.3 For interconnection of a proposed Small Generating Facility to the load side of Spot Network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed the smaller of 5 % of a spot network's maximum load or 50 kW[Fn 1]/ to ensure continuous import of power. Under no condition shall the interconnection of a Small Generating Facility result in a backfeed of a spot network or cause unnecessary operation of any Spot Network protectors.

Fn. 1/ A Spot Network is a type of distribution system found within modern commercial buildings to provide high reliability of service to a single customer. (Standard Handbook for Electrical Engineers, 11th edition, Donald Fink, McGraw Hill Book Company

2.2.1.4 The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 %

to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

2.2.1.5 The proposed Small Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 % of the short circuit interrupting capability; nor shall the interconnection proposed for a circuit that already exceeds 87.5 % of the short circuit interrupting capability.

2.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Distribution Provider's electric power system due to a loss of ground during the operating time of any antiislanding function.

Primary Distribution Line	**Type of Interconnection to Primary Distribution Line**	**Result/CriteriaType**
Three-phase, three wire	3-phase or single phase, phase to phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single phase line-to-neutral	Pass screen

2.2.1.7 If the proposed Small Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Small Generating Facility, shall not exceed 20 kW.

2.2.1.8 If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition

shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

2.2.1.9 The Small Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Small Generating Facility proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

2.2.1.10 No construction of facilities by the Distribution Provider on its own system shall be required to accommodate the Small Generating Facility.

2.2.2 If the proposed interconnection passes the screens, the Interconnection Request shall be approved and the Distribution Provider will provide the Interconnection Customer an executable interconnection agreement within five Business Days after the determination.

2.2.3 If the proposed interconnection fails the screens, but the Distribution Provider determines that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the Distribution Provider shall provide the Interconnection Customer an executable interconnection agreement within five Business Days after the determination.

2.2.4 If the proposed interconnection fails the screens, but the Distribution Provider does not or cannot determine from the initial review that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider modifications or further study, the Distribution Provider shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.

2.3 Customer Options Meeting

If the Distribution Provider determines the Interconnection Request cannot be approved without minor modifications at minimal cost; or a supplemental study or other additional studies or actions; or at significant cost to address safety, reliability, or power quality problems, within the five Business Day period after the determination, the Distribution Provider shall notify the Interconnection Customer and provide copies of alldata and analyses underlying its conclusion. Within ten Business Days of the Distribution Provider's determination, the Distribution Provider shall offer to convene a customer options meeting with the Distribution Provider to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Small Generating Facility to be connected safely and reliably. At the time of notification of the Distribution Provider's determination, or at the customer options meeting, the Distribution Provider shall:

2.3.1 Offer to perform facility modifications or minor modifications to the Distribution Provider's electric system(e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Distribution Provider's electric system; or

2.3.2 Offer to perform a supplemental review if the Distribution Provider concludes that the supplemental review might determine that the Small Generating Facility could continue to qualify for interconnection pursuant to the Fast Track Process, and provide a non-binding good faith estimate of the costs of such review; or

2.3.3 Obtain the Interconnection Customer's agreement to continue evaluating the Interconnection Request under the section 3 Study Process.

2.4 Supplemental Review

If the Interconnection Customer agrees to a supplemental review, the Interconnection Customer shall agree in writing within 15 Business Days of the offer, and submit a deposit for the estimated costs. The Interconnection Customer shall be responsible for the

Distribution Provider's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within 20 Business Days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the Distribution Provider will return such excess within 20 Business Days of the invoice without interest.

2.4.1 Within ten Business Days following receipt of the deposit for a supplemental review, the Distribution Provider will determine if the Small Generating Facility can be interconnected safely and reliably.

2.4.1.1 If so, the Distribution Provider shall forward an executable an interconnection agreement to the Interconnection Customer within five Business Days.

2.4.1.2 If so, and Interconnection Customer facility modifications are required to allow the Small Generating Facility to be interconnected consistent with safety, reliability, and power quality standards under these procedures, the Distribution Provider shall forward an executable interconnection agreement to the Interconnection Customer within five Business Days after confirmation that the Interconnection Customer has agreed to make the necessary changes at the Interconnection Customer's cost.

2.4.1.3 If so, and modifications to the Distribution Provider's electric system are required to allow the Small Generating Facility to be interconnected consistent with safety, reliability, and power quality standards under the Fast Track Process, the Distribution Provider shall forward an executable interconnection agreement to the Interconnection Customer within ten Business Days that requires the Interconnection Customer to pay the costs of such system modifications prior to interconnection.

2.4.1.4 If not, the Interconnection Request will continue to be evaluated under the section 3 Study Process.

Section 3. Study Process

3.1 Applicability

The Study Process shall be used by an Interconnection Customer proposing to interconnect Its Small Generating Facility with the Distribution Provider's Distribution System if the Small Generating Facility (1) is larger than 2 MW but no larger than 20 MW, (2) is not certified, or (3) is certified but did not pass the Fast Track Process or the 10 kW Inverter Process.

3.2 Scoping Meeting

3.2.1 A scoping meeting will be held within ten Business Days after the Interconnection Request is deemed complete, or as otherwise mutually agreed to by the Parties. The Distribution Provider and the Interconnection Customer will bring to the meeting personnel, including system engineers and other resources as may be reasonably required to accomplish the purpose of the meeting.

3.2.2 The purpose of the scoping meeting is to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request. The Parties shall further discuss whether the Distribution Provider should perform a feasibility study or proceed directly to a system impact study, or a facilities study, or an interconnection agreement. If the Parties agree that a feasibility study should be performed, the Distribution Provider shall provide the Interconnection Customer, as soon as possible, but not later than five Business Days after the scoping meeting, a feasibility study agreement (Attachment 6) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study.

3.2.3 The scoping meeting may be omitted by mutual agreement. In order to remain in consideration for interconnection, an Interconnection Customer who has requested a feasibility study must return the executed feasibility study agreement within 15 Business Days. If the Parties agree not to perform a feasibility study,

the Distribution Provider shall provide the Interconnection Customer, no later than five Business Days after the scoping meeting, a system impact study agreement (Attachment 7) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study.

3.3 Feasibility Study

3.3.1 The feasibility study shall identify any potential adverse system impacts that would result from the interconnection of the Small Generating Facility.

3.3.2 A deposit of the lesser of 50 percent of the good faith estimated feasibility study costs or earnest money of $1,000 may be required from the Interconnection Customer.

3.3.3 The scope of and cost responsibilities for the feasibility study are described in the attached feasibility study agreement.

3.3.4 If the feasibility study shows no potential for adverse system impacts, the Distribution Provider shall send the Interconnection Customer a facilities study agreement, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study. If no additional facilities are required, the Distribution Provider shall send the Interconnection Customer an executable interconnection agreement within five Business Days.

3.3.5 If the feasibility study shows the potential for adverse system impacts, the review process shall proceed to the appropriate system impact study(s).

3.4 System Impact Study

3.4.1 A system impact study shall identify and detail the electric system impacts that would result if the proposed Small Generating Facility were interconnected without project modifications or electric system modifications, focusing on the adverse system impacts identified in the feasibility study, or to study potential impacts, including but not limited to those identified in the scoping meeting. A

system impact study shall evaluate the impact of the proposed interconnection on the reliability of the electric system.

3.4.2 If no system impact study is required, but potential electric power Distribution System adverse system impacts are identified in the scoping meeting or shown in the feasibility study, a distribution system impact study must be performed. The Distribution Provider shall send the Interconnection Customer a distribution system impact study agreement within 15 Business Days of transmittal of the feasibility study report, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, or following the scoping meeting if no feasibility study is to be performed.

3.4.3 In instances where the feasibility study or the distribution system impact study shows potential for transmission system adverse system impacts, within five Business Days following transmittal of the feasibility study report, the Distribution Provider shall send the Interconnection Customer a transmission system impact study agreement, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, if such a study is required.

3.4.4 If a transmission system impact study is not required, but electric power Distribution System adverse system impacts are shown by the feasibility study to be possible and no distribution system impact study has been conducted, the Distribution Provider shall send the Interconnection Customer a distribution system impact study agreement.

3.4.5 If the feasibility study shows no potential for transmission system or Distribution System adverse system impacts, the Distribution Provider shall send the Interconnection Customer either a facilities study agreement (Attachment 8), including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, or an executable interconnection agreement, as applicable.

3.4.6 In order to remain under consideration for interconnection, the Interconnection Customer must return executed system impact study agreements, if applicable, within 30 Business Days.

3.4.7 A deposit of the good faith estimated costs for each system impact study may be required from the Interconnection Customer.

3.4.8 The scope of and cost responsibilities for a system impact study are described in the attached system impact study agreement.

3.4.9 Where transmission systems and Distribution Systems have separate owners, such as is the case with transmission-dependent utilities ("TDUs") – whether investor-owned or not – the Interconnection Customer may apply to the nearest transmission provider (transmission owner, regional transmission operator, or independent transmission provider) providing transmission service to the TDU to request project coordination. Affected Systems shall participate in the study and provide all information necessary to prepare the study.

3.5 Facilities Study

3.5.1 Once the required system impact study(s) is completed, a system impact study report shall be prepared and transmitted to the Interconnection Customer along with a facilities study agreement within five Business Days, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the facilities study. In the case where one or both impact studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.

3.5.2 In order to remain under consideration for interconnection, or, as appropriate, in the Distribution Provider's interconnection queue, the Interconnection Customer must return the executed facilities study agreement or a request for an extension of time within 30 Business Days.

3.5.3 The facilities study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the system impact study(s).

3.5.4 Design for any required Interconnection Facilities and/or Upgrades shall be performed under the facilities study agreement. The Distribution Provider may contract with consultants to perform activities required under the facilities study agreement. The Interconnection Customer and the Distribution Provider may agree to allow the Interconnection Customer to separately arrange for the design of some of the Interconnection Facilities. In such cases, facilities design will be reviewed and/or modified prior to acceptance by the Distribution Provider, under the provisions of the facilities study agreement. If the Parties agree to separately arrange for design and construction, and provided security and confidentiality requirements can be met, the Distribution Provider shall make sufficient information available to the Interconnection Customer in accordance with confidentiality and critical infrastructure requirements to permit the Interconnection Customer to obtain an independent design and cost estimate for any necessary facilities.

3.5.5 A deposit of the good faith estimated costs for the facilities study may be required from the Interconnection Customer.

3.5.6 The scope of and cost responsibilities for the facilities study are described in the attached facilities study agreement.

3.5.7 Upon completion of the facilities study, and with the agreement of the Interconnection Customer to pay for Interconnection Facilities and Upgrades identified in the facilities study , the Distribution Provider shall provide the Interconnection Customer an executable interconnection agreement within five Business Days.

Section 4. Provisions that Apply to All Interconnection Requests

4.1 Reasonable Efforts

The Distribution Provider shall make reasonable efforts to meet all time frames provided in these procedures unless the Distribution Provider and the Interconnection Customer agree to a different schedule. If the Distribution Provider cannot meet a deadline provided herein, it shall notify the Interconnection Customer, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process.

4.2 Disputes

4.2.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

4.2.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

4.2.3 If the dispute has not been resolved within two Business Days after receipt of the Notice, either Party may contact FERC's Dispute Resolution Service (DRS) for assistance in resolving the dispute.

4.2.4 The DRS will assist the Parties in either resolving their dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. DRS can be reached at 1-877-337-2237 or via the internet at http://www.ferc.gov/legal/adr.asp.

4.2.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.

4.2.6 If neither Party elects to seek assistance from the DRS, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

4.3 Interconnection Metering

Any metering necessitated by the use of the Small Generating Facility shall be installed at the Interconnection Customer's expense in accordance with Federal Energy Regulatory Commission, state, or local regulatory requirements or the Distribution Provider's specifications.

4.4 Commissioning

Commissioning tests of the Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. The Distribution Provider must be given at least five Business Days written notice, or as otherwise mutually agreed to by the Parties, of the tests and may be present to witness the commissioning tests.

4.5. Confidentiality

4.5.1 Confidential information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of this Agreement all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed confidential information regardless of whether it is clearly marked or otherwise designated as such.

4.5.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that

information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

4.5.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

4.5.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

4.5.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1 b.20, if FERC, 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 Agreement, the Party shall provide the requested information to FERC, within the time provided for in the request for information. In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC. The Party shall notify the other Party to this Agreement when it is notified by FERC 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 § 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.

4.6 Comparability

The Distribution Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this document. The Distribution Provider shall use the

same reasonable efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Small Generating Facility is owned or operated by the Distribution Provider, its subsidiaries or affiliates, or others.

4.7 Record Retention

The Distribution Provider shall maintain for three years records, subject to audit, of all Interconnection Requests received under these procedures, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

4.8 Interconnection Agreement

After receiving an interconnection agreement from the Distribution Provider, the Interconnection Customer shall have 30 Business Days or another mutually agreeable timeframe to sign and return the interconnection agreement, or request that the Distribution Provider file an unexecuted interconnection agreement with the Federal Energy Regulatory Commission. If the Interconnection Customer does not sign the interconnection agreement, or ask that it be filed unexecuted by the Distribution Provider within 30 Business Days, the Interconnection Request shall be deemed withdrawn. After the interconnection agreement is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the interconnection agreement.

4.9 Coordination with Affected Systems

The Distribution Provider shall 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 these procedures. The Distribution Provider will include such Affected System operators in all meetings held with the Interconnection Customer as required by these procedures. The Interconnection Customer will cooperate with the Distribution 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(s) shall cooperate with the Distribution Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

4.10 Capacity of the Small Generating Facility

4.10.1 If the Interconnection Request is for an increase in capacity for an existing Small Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Small Generating Facility.

4.10.2 If the Interconnection Request is for a Small Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.

4.10.3 The Interconnection Request shall be evaluated using the maximum rated capacity of the Small Generating Facility.

4.11 Interconnection Customer To Meet Requirements fo the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of the SGIP and the terms of the Distribution Provider's Interconnection Handbook, the terms of the SGIP shall govern.

Attachment 1

Glossary of Terms

10 kW Inverter Process – The procedure for evaluating an Interconnection Request for a certified inverter-based Small 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 SGIP Attachment 5.

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.

Business Day – Monday through Friday, excluding Federal Holidays.

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 Small 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 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 Small 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.

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

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 Small Generating Facility with the Distribution Provider's Distribution System.

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 Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Small 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 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 Small Generator Interconnection Procedures and the terms of the Distribution Provider’s Interconnection Handbook, the terms in the Small Generator Interconnection Procedures shall govern.

Interconnection Request – The Interconnection Customer's request, in accordance with the Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a

Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with the Distribution Provider's Distribution System.

Material Modification – A modification that has a material impact on the cost or timing of any Interconnection Request or any other valid interconnection request to the Distribution Provider or the ISO with a later queue priority date.

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 Small Generating Facility to the Distribution Provider's Transmission System. Network Upgrades do not include Distribution Upgrades.

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

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

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

Small 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.

Study Process – The procedure for evaluating an Interconnection Request that includes the section 3 scoping meeting, feasibility study, system impact study, and facilities study.

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.

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.

Attachment 2

SMALL GENERATOR INTERCONNECTION REQUEST

(Application Form)

Distribution Provider:_____

Designated Contact Person:_____

Address:_____

Telephone Number:_____

Fax:_____

E-Mail Address:_____

An Interconnection Request is considered complete when it provides all applicable and correct information required below.

Preamble and Instructions

An Interconnection Customer who requests a Federal Energy Regulatory Commission jurisdictional interconnection must submit this Interconnection Request by hand delivery, mail, e-mail, or fax to the Distribution Provider.

Processing Fee or Deposit:

If the Interconnection Request is submitted under the Fast Track Process, the non-refundable processing fee is $500.

If the Interconnection Request is submitted under the Study Process, whether a new submission or an Interconnection Request that did not pass the Fast Track Process, the Interconnection Customer shall submit to the Distribution Provider a deposit not to exceed $1,000 towards the cost of the feasibility study.

Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name)

Name:_____

Contact Person:_____

Mailing Address:_____

City:_____State: _____Zip:_____

Facility Location (if different from above):_____

Telephone (Day):_____Telephone (Evening):_____

Fax:_____E-Mail Address:_____

Alternative Contact Information (if different from the Interconnection Customer)

Contact Name:_____

Title:_____

Address:_____

Telephone (Day):_____Telephone (Evening):_____

Fax:_____E-Mail Address:_____

Application is for:_____New Small Generating Facility

_____Capacity addition to Existing Small Generating Facility

If capacity addition to existing facility, please describe:_____

_____

Will the Small Generating Facility be used for any of the following?

Net Metering? Yes ___ No ___

To Supply Power to the Interconnection Customer? Yes ___No ___

To Supply Power to Others? Yes ____ No ____

For installations at locations with existing electric service to which the proposed Small Generating Facility will interconnect, provide:

_____ _____

(Local Electric Service Provider*) (Existing Account Number*)

[*To be provided by the Interconnection Customer if the local electric service provider is different from the Distribution Provider]

Contact Name:_____

Title:_____

Address:_____

Telephone (Day):_____Telephone (Evening):_____

Fax:_____E-Mail Address:_____

Requested Point of Interconnection:_____

Interconnection Customer's Requested In-Service Date:_____

Small Generating Facility Information

Data apply only to the Small Generating Facility, not the Interconnection Facilities.

Energy Source: ___ Solar ___ Wind ___ Hydro ___ Hydro Type (e.g. Run-of-River):_____

Diesel ___ Natural Gas ___ Fuel Oil ___ Other (state type)_____

Prime Mover: ___ Fuel Cel l___ Recip Engine ___ Gas Turb ___Steam Turb

___ Microturbine ___ PV ___Other

Type of Generator: ____Synchronous ____Induction ____ Inverter

Generator Nameplate Rating:_____kW (Typical) Generator Nameplate kVAR:_____

Generator Nameplate Rating:_____kVA

Interconnection Customer or Customer-Site Load:_____kW (if none, so state)

Typical Reactive Load (if known):_____

Maximum Physical Export Capability Requested:_____kW

List components of the Small Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Is the prime mover compatible with the certified protective relay package? __Yes__No

Generator (or solar collector)

Manufacturer, Model Name & Number:_____

Version Number:_____

Nameplate Output Power Rating in kW: (Summer)_____(Winter)_____

Nameplate Output Power Rating in kVA: (Summer)_____(Winter)_____

Individual Generator Power Factor

Rated Power Factor: Leading:_____Lagging:_____

Total Number of Generators in wind farm to be interconnected pursuant to this Interconnection Request:_____Elevation:_____ ___Single phase ___Three phase

Inverter Manufacturer, Model Name & Number (if used):_____

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

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

Small Generating Facility Characteristic Data (for inverter-based generators)

Max design fault contribution current at the terminal:_____ Instantaneous or RMS?_____

Harmonics Characteristics:_____

Start-up requirements:_____

Small Generating Facility Characteristic Data (for rotating machines)

RPM Frequency:_____

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

Synchronous Generators:

Direct Axis Synchronous Reactance, Xd:_____P.U.

Direct Axis Transient Reactance, X' d:_____P.U.

Direct Axis Subtransient Reactance, X" d:_____P.U.

Negative Sequence Reactance, X2:_____P.U.

Zero Sequence Reactance, X0:_____P.U.

KVA Base:_____

Field Volts:_____

Field Amperes:_____

Induction Generators:

Motoring Power (kW):_____

I22t or K (Heating Time Constant):_____

Rotor Resistance, Rr:_____

Stator Resistance, Rs:_____

Stator Reactance, Xs:_____

Rotor Reactance, Xr: _____

Magnetizing Reactance, Xm:_____

Short Circuit Reactance, Xd":_____

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 contact the Distribution Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

Interconnection Facilities Information

Will a transformer be used between the generator and the point of common coupling?___Yes___No

Will t he transformer be provided by the Interconnection Customer? ____Yes ____No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer:_____single phase_____three phase?_____Size:_____kVA

Transformer Impedance:_____% on_____kVA Base

If Three Phase:

Transformer Primary: _____ Volts _____ Delta _____Wye _____ Wye Grounded

Transformer Secondary: _____ Volts _____ Delta _____Wye _____ Wye Grounded

Transformer Tertiary: _____ Volts _____ Delta _____Wye _____ Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

Manufacturer:_____Type:_____Size:_____Speed:_____

Interconnecting Circuit Breaker (if applicable):

Manufacturer:_____Type:_____

Load Rating (Amps):_____Interrupting Rating (Amps):_____Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

List of Functions and Adjustable Setpoints for the protective equipment or software:

Setpoint Function	Minimum	Maximum
1._____	_____	_____
2. _____	_____	_____
3 _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

If Discrete Components:

(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:___

Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:___

Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:___

Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:___

Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:___

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer:_____

Type:_____ Accuracy Class:_____Proposed Ratio Connection: _____

Manufacturer:_____

Type:_____ Accuracy Class:_____Proposed Ratio Connection:_____

Potential Transformer Data (If Applicable):

Manufacturer:_____

Type:_____ Accuracy Class:_____Proposed Ratio Connection:_____

Manufacturer:_____

Type:_____ Accuracy Class:_____Proposed Ratio Connection:_____

General Information

Enclose copy of site electrical one-line diagram showing the configuration of all Small Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Small Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed? ____Yes ____No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Small Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address)_____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed? ___Yes ____No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable).

Are Schematic Drawings Enclosed? ___Yes ____No

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Interconnection Request is true and correct.

For Interconnection Customer:_____Date:_____

Attachment 3

Certification Codes and Standards

IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)

IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems

NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

Attachment 4

Certification of Small Generator Equipment Packages

1.0 Small Generating Facility equipment proposed for use separately or packaged with otherequipment in an interconnection system shall be considered certified for interconnected operation if (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced below by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in SGIP Attachment 3, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.

2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the N RTL.

3.0 Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.

4.0 If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.

5.0 Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.

6.0 An equipment package does not include equipment provided by the utility.

7.0 Any equipment package approved and listed in a state by that state’s regulatory body for interconnected operation in that state prior to the effective date of these small generator interconnection procedures shall be considered certified under these procedures for use in that state.

Attachment 5

Application, Procedures, and Terms and Conditions for Interconnecting a Certified Inverter-Based Small Generating Facility No Larger than 10 kW ("10 kW Inverter Process")

1.0 The Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to the Distribution Provider ("Company").

2.0 The Company acknowledges to the Customer receipt of the Application within three Business Days of receipt.

3.0 The Company evaluates the Application for completeness and notifies the Customer within ten Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.

4.0 The Company verifies that the Small Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the Small Generator Interconnection Procedures (SGIP). The Company has 15 Business Days to complete this process. Unless the Company determines and demonstrates that the Small Generating Facility cannot be interconnected safely and reliably, the Company approves the Application and returns it to the Customer. Note to Customer: Please check with the Company before submitting the Application if disconnection equipment is required.

5.0 After installation, the Customer returns the Certificate of Completion to the Company. Prior to parallel operation, the Company may inspect the Small Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary.

6.0 The Company notifies the Customer in writing that interconnection of the Small Generating Facility is authorized. If the witness test is not satisfactory, the Company has the right to disconnect the Small Generating Facility. The Customer has no right to operate in parallel until a witness test has been performed, or previously waived on the Application. The Company is obligated to complete this witness test within ten Business

Days of the receipt of the Certificate of Completion. If the Company does not inspect within ten Business Days or by mutual agreement of the Parties, the witness test is deemed waived.

7.0 Contact Information – The Customer must provide the contact information for the legal applicant (i.e., the Interconnection Customer). If another entity is responsible for interfacing with the Company, that contact information must be provided on the Application.

8.0 Ownership Information – Enter the legal names of the owner(s) of the Small Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.

9.0 UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation.

Application for Interconnecting a Certified Inverter-Based Small Generating Facility No Larger than 10kW

This Application is considered complete when it provides all applicable and correct information required below and the documentation of site control pursuant to Section 1.5 of the SGIP. Additional information to evaluate the Application may be required.

Processing Fee

A non-refundable processing fee of $100 must accompany this Application.

Interconnection Customer

Name:_____

Contact Person:_____

Address:_____

City:_____ State:_____ Zip:_____

Telephone (Day):_____ (Evening): _____

Fax:_____ E-Mail Address:_____

Contact (if different from Interconnection Customer)

Name:_____

Address:_____

City:_____ State:_____ Zip:_____

Telephone (Day):_____ (Evening): _____

Fax:_____ E-Mail Address:_____

Owner of the facility (include % ownership by any electric utility):_____

Small Generating Facility Information

Location (if different from above):_____

Electric Service Company:_____

Account Number:_____

Inverter Manufacturer:_____ Model _____

Nameplate Rating:_____ (kW)_____ (kVA) _____(AC Volts)

Single Phase_____Three Phase_____

System Design Capacity:_____ (kW)_____ (kVA)

Prime Mover: Photovoltaic □ Reciprocating Engine □ Fuel Cell □

Turbine □ Other_____

Energy Source: Solar □Wind □ Hydro □ Diesel □ Natural Gas □

Fuel Oil □ Other (describe)_____

Is the equipment UL1741 Listed? _____Yes _____No

If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date:_____ Estimated In-Service Date:_____

The 10 kW Inverter Process is available only for inverter-based Small Generating Facilities no larger than 10 kW that meet the codes, standards, and certification requirements of Attachments 3 and 4 of the Small Generator Interconnection Procedures (SGIP), or the Distribution Provider has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

List components of the Small Generating Facility equipment package that are currently certified:

	Equipment Type	Certifying Entity
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return the Certificate of Completion when the Small Generating Facility has been installed.

Signed: _____

Title:_____ Date:_____

Contingent Approval to Interconnect the Small Generating Facility

(For Company use only)

Interconnection of the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Company Signature: _____

Title:_____ Date:_____

Application ID number:_____

Company waives inspection/witness test? Yes_____ No____

Small Generating Facility Certificate of Completion

Is the Small Generating Facility owner-installed? Yes_____ No _____

Interconnection Customer:_____

Contact Person:_____

Address:_____

Location of the Small Generating Facility (if different from above):

City: _____ State:_____ Zip Code:_____

Telephone (Day):_____ (Evening): _____

Fax:_____ E-Mail Address:_____

Electrician:

Name:_____

Address:_____

City: _____ State:_____ Zip Code:_____

Telephone (Day):_____ (Evening): _____

Fax:_____ E-Mail Address:_____

License number:_____

Date Approval to Install Facility granted by the Company:_____

Application ID number:_____

Inspection:

The Small Generating Facility has been installed and inspected in compliance with the local building/electrical code of _____

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

_____

Print Name:_____

Date:_____

As a condition of interconnection, you are required to send/fax a copy of this form along with a copy of the signed electrical permit to (insert Company information below):

Name:_____

Company:_____

Address:_____

City, State ZIP:_____

Fax:_____

Approval to Energize the Small Generating Facility (For Company use only)

Energizing the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW

Company Signature: _____

Title:_____Date:_____

Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW

1.0 Construction of the Facility

The Interconnection Customer (the "Customer") may proceed to construct (including operational testing not to exceed two hours) the Small Generating Facility when the Distribution Provider (the "Company") approves the Interconnection Request (the "Application") and returns it to the Customer.

2.0 Interconnection and Operation

The Customer may operate Small Generating Facility and interconnect with the Company's electric system once all of the following have occurred:

2..1 Upon completing construction, the Customer will cause the Small Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

2.2 The Customer returns the Certificate of Completion to the Company, and

2.3 The Company has either:

2.3.1 Completed its inspection of the Small Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Company, at its own expense, within ten Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written statement that the Small Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

2.3.2 If the Company does not schedule an inspection of the Small Generating Facility within ten business days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or

2.3.3 The Company waives the right to inspect the Small Generating Facility.

2.4 The Company has the right to disconnect the Small Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

3.0 **Safe Operations and Maintenance**

The Customer shall be fully responsible to operate, maintain, and repair the Small Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4.0 **Access**

The Company shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Small Generating Facility at all times. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 **Disconnection**

The Company may temporarily disconnect the Small Generating Facility upon the following conditions:

5.1 For scheduled outages upon reasonable notice.

5.2 For unscheduled outages or emergency conditions.

5.3 If the Small Generating Facility does not operate in the manner consistent with these Terms and Conditions.

5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

6.0 Indemnification

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

7.0 Insurance

The Parties each agree to maintain commercially reasonable amounts of insurance.

8.0 Limitation of Liability

Each party’s liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney’s fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

9.0 Termination

The agreement to operate in parallel may be terminated under the following conditions:

9.1 **By the Customer**

By providing written notice to the Company.

9.2 **By the Company**

If the Small Generating Facility fails to operate for any consecutive 12 month period or the Customer fails to remedy a violation of these Terms and Conditions

9.3 **Permanent Disconnection**

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Small Generating Facility.

9.4 **Survival Rights**

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

10.0 **Assignment/Transfer of Ownership of the Facility**

This Agreement shall survive the transfer of ownership of the Small Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.

Attachment 6

Feasibility Study Agreement

THIS AGREEMENT is made and entered into this _____day of_____20____ by and between_____, a_____ _____organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____, a____ _____ existing under the laws of the State of_____ _____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on _____; and

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with the Distribution Provider's Distribution System; and

WHEREAS, Interconnection Customer has requested the Distribution Provider to perform a feasibility study to assess the feasibility of interconnecting the proposed Small Generating Facility with the Distribution Provider's Distribution 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 or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause to be performed an interconnection feasibility study consistent the standard Small Generator Interconnection Procedures in accordance with the Wholesale Distribution Tariff.

3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The Distribution Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the feasibility study and as designated in accordance with the standard Small Generator Interconnection Procedures. If the Interconnection Customer modifies its Interconnection Request, the time to complete the feasibility study may be extended by agreement of the Parties.

5.0 In performing the study, the Distribution Provider shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.

6.0 The feasibility study report shall provide the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Small Generating Facility as proposed:

6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;

6.3 Initial review of grounding requirements and electric system protection ; and

6.4 Description and non-bonding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues.

7.0 The feasibility study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.

8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.

9.0 A deposit of the lesser of 50 percent of good faith estimated feasibility study costs or earnest money of $1,000 may be required from the Interconnection Customer.

10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the feasibility study must be completed and the feasibility study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within 30 calendar days of the invoice without interest.

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 Distribution Provider] **[Insert name of Interconnection Customer]**

_____ _____

Signed _____	Signed _____
Name (Printed):	Name (Printed):
_____	_____
Title _____	Title _____

Attachment A to Feasibility Study Agreement

Assumptions Used in Conducting the Feasibility Study

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

1) Designation of Point of Interconnection and configuration to be studied.

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Distribution Provider.

Attachment 7

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 _____, a_____ _____ existing under the laws of the State of_____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on_____; and

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with the Distribution Provider's Distribution System;

WHEREAS, the Distribution Provider has completed a feasibility study and provided the results of said study to the Interconnection Customer (This recital to be omitted if the Parties have agreed to forego the feasibility study.); and

WHEREAS, the Interconnection Customer has requested the Distribution Provider to perform a system impact study(s) to assess the impact of interconnecting the Small Generating Facility with the Distribution Provider's Distribution 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 or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause to be performed a system impact study(s) consistent with the standard Small Generator Interconnection Procedures in accordance with the Wholesale Distribution Tariff.

3.0 The scope of a system impact study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 A system impact study will be based upon the results of the feasibility study and the technical information provided by Interconnection Customer in the Interconnection Request. The Distribution Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the system impact study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the system impact study may be extended.

5.0 A system impact study shall consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews, as necessary. A system impact study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement 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. A system impact study shall provide a list of facilities that are required as a result of the Interconnection Request and non-binding good faith estimates of cost responsibility and time to construct.

6.0 A distribution system impact study shall incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.

7.0 Affected Systems may participate in the preparation of a system impact study, with a division of costs among such entities as they may agree. All Affected Systems shall be afforded an opportunity to review and comment upon a system impact study that covers potential adverse system impacts on their electric systems, and the Distribution Provider has 20 additional Business Days to complete a system impact study requiring review by Affected Systems.

8.0 If the Distribution Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required Network Upgrades, the system impact study shall consider all generating facilities (and with respect to paragraph 8.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the system impact study is commenced –

8.1 Are directly interconnected with the Distribution Provider's electric system; or

8.2 Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and

8.3 Have a pending higher queued Interconnection Request to interconnect with the Distribution Provider's electric system.

9.0 A distribution system impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 30 Business Days after this Agreement is signed by the Parties. A transmission system impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 45 Business Days after this Agreement is signed by the Parties, or in accordance with the Distribution Provider's queuing procedures.

10.0 A deposit of the equivalent of the good faith estimated cost of a distribution system impact study and the one half the good faith estimated cost of a transmission system impact study may be required from the Interconnection Customer.

11.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within 30 calendar days of the invoice without interest.

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

[Insert name of Distribution Provider]	**[Insert name of Interconnection Customer]**
_____	_____
Signed _____	Signed _____
Name (Printed):	Name (Printed):
_____	_____
Title _____	Title_____

Attachment A

to System Impact Study Agreement

Assumptions Used in Conducting the System Impact Study

The system impact study shall be based upon the results of the feasibility study, subject to any modifications in accordance with the standard Small Generator Interconnection Procedures, and the following assumptions:

1) Designation of Point of Interconnection and configuration to be studied.

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Distribution Provider.

Attachment 8

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 _____, a_____ _____ existing under the laws of the State of_____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on_____; and

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with the Distribution Provider's Transmission System;

WHEREAS, the Distribution Provider has completed a system impact study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Distribution Provider to perform a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the system impact study in accordance with Good Utility Practice to physically and electrically connect the Small Generating Facility with the Distribution Provider's 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 or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause a facilities study consistent with the standard Small Generator Interconnection Procedures to be performed in accordance with the Wholesale Distribution Tariff.

3.0 The scope of the facilities study shall be subject to data provided in Attachment A to this Agreement.

4.0 The facilities study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the system impact study(s). The facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Distribution Provider's Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

5.0 The Distribution Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Small Generating Facility if it is willing to pay the costs of those facilities.

6.0 A deposit of the good faith estimated facilities study costs may be required from the Interconnection Customer.

7.0 In cases where Upgrades are required, the facilities study must be completed within 45 Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the facilities study must be completed within 30 Business Days.

8.0 Once the facilities study is completed, a facilities study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the facilities study must be completed and the facilities study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a facilities study.

9.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

10.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within 30 calendar days of the invoice without interest.

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 Distribution Provider]	[Insert name of Interconnection Customer]
_____	_____
Signed _____	Signed _____
Name (Printed):	Name (Printed):
_____	_____
Title _____	Title _____

Attachment A

to Facilities Study Agreement

Data to Be Provided by the Interconnection Customer

with the 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.

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

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

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 the one-line diagram).

What type of control system or PLC will be located at the Small Generating Facility?

_____

_____

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Distribution Provider's Transmission System.

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 Distribution Provider.

Is the Small Generating Facility located in Distribution Provider’s service area?

Yes___ No___ If No, please provide name of local provider:

Please provide the following proposed schedule dates:

Begin Construction	Date:_____
Generator step-up transformers receive back feed power	Date:_____
Generation Testing	Date:_____
Commercial Operation	Date:_____

ATTACHMENT F:
Small Generator Interconnection Agreement (SGIA)

(For Generating Facilities No Larger Than 20 MW)

This Interconnection Agreement ("Agreement") is made and entered into this_____day of _____, 20___, by_____ ("Distribution Provider"), and _____ ("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

Distribution Provider Information

Distribution Provider: _____

Attention:_____

Address:_____

City: _____State:_____ Zip:_____

Phone: _____Fax:_____

Interconnection Customer Information

Distribution Provider: _____

Attention:_____

Address:_____

City: _____State:_____ Zip:_____

Phone: _____Fax:_____

Interconnection Customer Application No:_____

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

Article 1. Scope and Limitations of Agreement

1.1 This Agreement shall be used for all Small Generating Facility Interconnection Requests submitted under the Small Generator Interconnection Procedures (SGIP) or Generator Interconnection Procedures (GIP) except for those submitted under the 10 kW Inverter Process contained in SGIP Attachment 5.

1.2 This Agreement governs the terms and conditions under which the Interconnection Customer's Small Generating Facility will interconnect with, and operate in parallel with, the Distribution Provider's Distribution System.

1.3 This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under separate agreements. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity.

1.4 Nothing in this Agreement is intended to affect any other agreement between the Distribution Provider and the Interconnection Customer.

1.5 Responsibilities of the Parties

1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.

1.5.2 The Interconnection Customer shall construct, interconnect, operate and maintain its Small Generating Facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, in accordance with this Agreement, and with Good Utility Practice.

1.5.3 The Distribution Provider shall construct, operate, and maintain its Distribution System, Transmission System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.

1.5.4 The Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to design, install, maintain, and operate its Small Generating Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of the Distribution Provider or Affected Systems. The Interconnection Customer shall comply with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of this SGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this SGIA shall govern.

1.5.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. The Distribution Provider and the Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect the Distribution Provider's Distribution and Transmission Systems, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Agreement.

1.5.6 The Distribution Provider shall coordinate with all Affected Systems to support the interconnection.

1.5.7 The Interconnection Customer shall ensure "frequency ride through" capability and "voltage ride through" capability of its Small Generating Facility in accordance with the standards and requirements described in the PG&E Transmission Interconnection Handbook (TIH) and the Distribution Interconnection Handbook (DIH). The Interconnection Customer shall enable these capabilities such that its Small Generating Facility shall not disconnect automatically or instantaneously from the system or equipment of the Distribution Provider and any Affected Systems for a defined under-frequency or over-frequency condition, or an under-voltage or over-voltage condition, as tested pursuant to Article 2.1 of this Agreement. The defined conditions shall be in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The Small Generating Facility's protective equipment settings shall comply with the Distribution Provider's automatic load-shed program. The Distribution Provider shall review the protective equipment settings to confirm compliance with the automatic load-shed program. The term "ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of the Distribution Provider and any Affected Systems during system disturbances within a range of conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority on a comparable basis. The term "frequency ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of the Distribution Provider and any Affected Systems during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The term "voltage ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of the Distribution Provider and any Affected Systems

during system disturbances within a range of under-voltage and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis.

1.6 Parallel Operation Obligations

Once the Small Generating Facility has been authorized by the Distribution Provider to commence parallel operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the Small Generating Facility in the applicable control area, including, but not limited to; 1) the rules and procedures concerning the operation of generation set forth in the Tariff or by the applicable system operator(s) for the Distribution Provider's Distribution and Transmission Systems and; 2) the Operating Requirements set forth in Attachment 5 of this Agreement.

1.7 Metering

The Interconnection Customer shall be responsible for the Distribution Provider's reasonable and necessary cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2 and 3 of this Agreement. The Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements.

1.8 Reactive Power and Primary Frequency Response

1.8.1 Power Factor Design Criteria

1.8.1.1 Synchronous Generation. The Interconnection Customer shall design its Small 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 Distribution Provider has established

different requirements that apply to all similarly situated synchronous generators in the control area on a comparable basis.

1.8.1.2 Non-Synchronous Generation – The Interconnection Customer shall design its Small 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 Distribution Provider has established a different power factor range that applies to all similarly situated 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).

1.8.2 This Section deleted in FERC Docket No. ER13-494-000.

1.8.3 This Section deleted in FERC Docket No. ER13-494-000.

1.8.4 Primary Frequency Response. Interconnection Customer shall ensure the primary frequency response capability of its Small 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 Small 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 Small 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 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 Small 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 Small 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 Small Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Small Generating Facility with the Transmission System, Interconnection Customer shall operate the Small Generating Facility consistent with the provisions specified in Sections 1.8.4.1 and 1.8.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Small Generating Facilities.

1.8.4.1 Governor or Equivalent Controls. Whenever the Small Generating Facility is operated in parallel with the Transmission System,

Interconnection Customer shall operate the Small 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 Small 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 Small Generating Facility's governor or equivalent controls to a minimum whenever the Small Generating Facility is operated in parallel with the Transmission System.

1.8.4.2 Timely and Sustained Response. Interconnection Customer shall ensure that the Small 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 Small 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 Small 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.

1.8.4.3 Exemptions. Small Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Sections 1.8.4, 1.8.4.1, and 1.8.4.2 of this Agreement. Small 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 1.8.4, but shall be otherwise exempt from the operating requirements in Sections 1.8.4, 1.8.4.1, 1.8.4.2, and 1.8.4.4 of this Agreement.

1.8.4.4 Electric Storage Resources. Interconnection Customer interconnecting an electric storage resource shall establish an operating range in Attachment 5 of its SGIA 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 1.8.4, 1.8.4.1, 1.8.4.2 and 1.8.4.3 of this Agreement. Attachment 5 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 Attachment 5 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 1.8.4.2 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.

1.9 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

2.1.1 The Interconnection Customer shall test and inspect its Small Generating Facility and Interconnection Facilities prior to interconnection. The Interconnection Customer shall notify the Distribution Provider of such activities no fewer than five Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The Distribution Provider may, at its own expense, send qualified personnel to the Small Generating Facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide the Distribution Provider a written test report when such testing and inspection is completed.

2.1.2 The Distribution Provider shall provide the Interconnection Customer written acknowledgment that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by the Distribution Provider of the safety, durability, suitability, or reliability of the Small Generating Facility or any associated control, protective, and safety devices owned or controlled by

the Interconnection Customer or the quality of power produced by the Small Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

2.2.1 The Distribution Provider shall use Reasonable Efforts to list applicable parallel operation requirements in Attachment 5 of this Agreement. Additionally, the Distribution Provider shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. The Distribution Provider shall make Reasonable Efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 The Interconnection Customer shall not operate its Small Generating Facility in parallel with the Distribution Provider's Distribution System without prior written authorization of the Distribution Provider. The Distribution Provider will provide such authorization once the Distribution Provider receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 Right of Access

2.3.1 Upon reasonable notice, the Distribution Provider may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Small Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Small Generating Facility (including any required testing), startup, and operation for a period of up to three Business Days after initial start-up of the unit. In addition, the Interconnection Customer shall notify the Distribution Provider at least five Business Days prior to conducting any on-site verification testing of the Small Generating Facility.

2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, the Distribution Provider shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

2.3.3 Each Party shall be responsible for its own costs associated with following this article.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by the FERC. The Distribution Provider shall promptly file this Agreement with the FERC upon execution, if required.

3.2 Term of Agreement

This Agreement shall become effective on the Effective Date and shall remain in effect for a period of ten years from the Effective Date or such other longer period as the Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.3 of this Agreement.

3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement (if required), which notice has been accepted for filing by FERC.

3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving the Distribution Provider 20 Business Days written notice.

3.3.2 Either Party may terminate this Agreement after Default pursuant to article 7.6.

3.3.3 Upon termination of this Agreement, the Small Generating Facility will be disconnected from the Distribution Provider's Distribution System. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

3.3.4 The provisions of this article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions

"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 the 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 the Distribution System, the Distribution Provider's Interconnection Facilities or any Affected Systems; or (3) that, in the case of the 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 Small Generating Facility or the Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, the Distribution Provider may immediately suspend interconnection service and temporarily disconnect the Small Generating Facility. The Distribution Provider shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection

Customer's operation of the Small Generating Facility. The Interconnection Customer shall notify the Distribution Provider promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Distribution Provider's Distribution System or other Affected Systems. 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 both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

3.4.2 Routine Maintenance, Construction, and Repair

The Distribution Provider may interrupt interconnection service or curtail the output of the Small Generating Facility and temporarily disconnect the Small Generating Facility from the Distribution Provider's Distribution System when necessary for routine maintenance, construction, and repairs on the Distribution Provider's Distribution System and/or Transmission System. The Distribution Provider shall provide the Interconnection Customer with five Business Days' notice prior to such interruption. The Distribution Provider shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer.

3.4.3 Forced Outages

During any forced outage, the Distribution Provider may suspend interconnection service to effect immediate repairs on the Distribution Provider's Distribution System and/or Transmission System. The Distribution Provider shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, the Distribution Provider shall, upon request, provide the Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

3.4.4 Adverse Operating Effects

The Distribution Provider shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Small Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Small Generating Facility could cause damage to the Distribution Provider's Distribution System or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, the Distribution Provider may disconnect the Small Generating Facility. The Distribution Provider shall provide the Interconnection Customer with five Business Day notice of such disconnection, unless the provisions of article 3.4.1 apply.

3.4.5 Modification of the Small Generating Facility

The Interconnection Customer must receive written authorization from the Distribution Provider before making any change to the Small Generating Facility that may have a material impact on the safety or reliability of the Distribution System and/or Transmission System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Interconnection Customer makes such modification without the Distribution Provider's prior written authorization, the latter shall have the right to temporarily disconnect the Small Generating Facility.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility, Interconnection Facilities, and the Distribution Provider's Distribution System and/or Transmission System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

4.1 Interconnection Facilities

4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement. The Distribution Provider shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and the Distribution Provider.

4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing the Distribution Provider's Interconnection Facilities.

4.2 Distribution Upgrades

The Distribution Provider shall design, procure, construct, install, and own the Distribution Upgrades described in Attachment 6 of this Agreement. If the Distribution Provider and the Interconnection Customer agree, the Interconnection Customer may construct Distribution Upgrades that are located on land owned by the Interconnection Customer. The actual cost of the Distribution Upgrades, including overheads, as well as costs associated with operating, maintaining, repairing, and replacing Distribution Provider’s Distribution Upgrades shall be directly assigned to the Interconnection Customer.

Article 5. Cost Responsibility for Network Upgrades

5.1 Applicability

No portion of this Article 5 shall apply unless the interconnection of the Small Generating Facility requires Network Upgrades.

5.2 Network Upgrades

The Distribution Provider or the Transmission Owner shall design, procure, construct, install, and own the Network Upgrades described in Attachment 6 of this Agreement. If the Distribution Provider and the Interconnection Customer agree, the Interconnection Customer may construct Network Upgrades that are located on land owned by the Interconnection Customer. Unless the Distribution Provider elects to pay for Network Upgrades, the actual cost of the Network Upgrades, including overheads, shall be borne by the Interconnection Customer unless Article 5.2.1 directs otherwise.

5.2.1 Repayment of Amounts Advanced for Network Upgrades

To the extent the CAISO Tariff, Section 12.3.2 of Appendix Y and Section 14.3.2 of Appendix DD, and successor tariffs, provides for cash repayment or Congestion Revenue Rights to the Interconnection Customer for contribution to the cost of Network Upgrades, the Interconnection Customer shall be entitled to a cash repayment or Congestion Revenue Rights, equal to the total amount paid to the Distribution Provider and Affected System operator, if any, for Network Upgrades, including any tax gross-up or other tax-related payments associated with the Network Upgrades, and not otherwise refunded to the Interconnection Customer.

Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. 35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment pursuant to this

subparagraph. The Interconnection Customer may assign such repayment rights to any person.

5.2.1.1 If the Interconnection Customer is entitled to a cash repayment pursuant to Article 5.2.1, the Interconnection Customer, the Distribution Provider, and Affected System operator may adopt any alternative payment schedule that is mutually agreeable so long as the Distribution Provider and Affected System operator take one of the following actions no later than five years from the Commercial Operation Date: (1) return to the Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that the Distribution Provider or Affected System operator(s) will continue to provide payments to the Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the commercial operation date.

5.2.1.2 If the Small Generating Facility fails to achieve commercial operation, but it or another generating facility is later constructed and requires use of the Network Upgrades, the Distribution Provider and Affected System operator shall at that time reimburse the Interconnection Customer for the amounts advanced for the Network Upgrades if the Interconnection Customer is entitled to a cash repayment pursuant to Article 5.2.1. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.

5.3 Special Provisions for Affected Systems

Unless the Distribution Provider provides, under this Agreement, for the repayment of amounts advanced to Affected System operator(s) for Network Upgrades, the Interconnection Customer and Affected System operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to Affected System operator as well as the repayment by Affected System operator.

5.4 Rights Under Other Agreements

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Small Generating Facility.

Article 6. Billing, Payment, Milestones, and Financial Security

6.1 Billing and Payment Procedures and Final Accounting

6.1.1 The Distribution Provider shall bill the Interconnection Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.

6.1.2 Within six months of completing the construction and installation of the Distribution Provider's Interconnection Facilities and/or Upgrades described in the Attachments to this Agreement, the Distribution Provider shall provide the Interconnection Customer with a final accounting report of any difference

between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or Upgrades, and (2) the Interconnection Customer's previous aggregate payments to the Distribution Provider for such facilities or Upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Distribution Provider shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Distribution Provider within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, the Distribution Provider shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

6.2 Milestones

The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 4 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than an Uncontrollable Force Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless (1) it will suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

6.3 Financial Security Arrangements

The Interconnection Customer shall provide the Distribution Provider an Interconnection Financial Security by the earliest date of either (i) no later than the financial security posting milestone date negotiated in Attachment 4 of this Agreement, (ii) no later than 180 Calendar Days after the effective date of this agreement, or (iii) at least twenty (20)

Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the Distribution Provider's Interconnection Facilities and Upgrades. The Interconnection Customer shall provide the Distribution Provider, at the Interconnection Customer's option, a guarantee, letter of credit, escrow agreement or other form of security that is reasonably acceptable to the Distribution Provider and is consistent with the Uniform Commercial Code of the jurisdiction where the Point of Interconnection is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of the Distribution Provider's Interconnection Facilities and Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to the Distribution Provider under this Agreement during its term. In addition:

6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of the Distribution Provider, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

6.3.2 The letter of credit or escrow agreement must be issued by a financial institution or insured reasonably acceptable to the Distribution Provider and must specify a reasonable expiration date.

6.4 Responsibility for any Outstanding Interconnection Study Costs

The Interconnection Customer must complete payment on all outstanding invoiced interconnection study costs no later than the financial security posting milestone date negotiated in Attachment 4 of this Agreement. Study costs not yet invoiced within thirty (30) Calendar Days of that financial security posting deadline must be paid by the Interconnection Customer within thirty (30) Calendar Days of the date of the invoice once they are invoiced to the Interconnection Customer.

Failure to complete payment on these interconnection study invoices by these deadlines will constitute Default on this Agreement by the Interconnection Customer, subject to the terms of Article 7.6 “Default”.

Article 7. Assignment, Liability, Indemnity, Uncontrollable Force, Consequential Damages, and Default

7.1 Assignment

This Agreement may be assigned by either Party upon fifteen (15) Business Days prior written notice and opportunity to object by the other Party; provided that:

7.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement;

7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of the Distribution Provider, for collateral security purposes to aid in providing financing for the Small Generating Facility, provided that the Interconnection Customer will promptly notify the Distribution Provider of any such assignment.

7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.

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

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

7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification

obligation unless such failure or delay is materially prejudicial to the indemnifying party.

7.4 Consequential Damages

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

7.5 Uncontrollable Force

7.5.1 As used in this article, an 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 an act of negligence or intentional wrongdoing by the Party claiming Uncontrollable Force."

7.5.2 If an Uncontrollable Force Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Uncontrollable Force Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Uncontrollable Force Event. The notification must specify in reasonable detail the circumstances of the Uncontrollable Force Event, its expected duration, and the steps that the Affected Party is taking to

mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Uncontrollable Force Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Uncontrollable Force Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

7.6 Default

7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of an Uncontrollable Force Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have 60 calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement 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 Agreement, to recover from the defaulting 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 Agreement.

Article 8. Insurance

8.1 The Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made. The Interconnection Customer shall obtain additional insurance only if necessary as a function of owning and operating a generating facility. Such insurance shall be obtained from an insurance provider authorized to do business in the State where the interconnection is located. Certification that such insurance is in effect shall be provided upon request of the Distribution Provider, except that the Interconnection Customer shall show proof of insurance to the Distribution Provider no later than ten Business Days prior to the anticipated commercial operation date. An Interconnection Customer of sufficient credit-worthiness may propose to self-insure for such liabilities, and such a proposal shall not be unreasonably rejected.

8.2 The Distribution Provider agrees to maintain general liability insurance or self-insurance consistent with the Distribution Provider’s commercial practice. Such insurance or self-insurance shall not exclude coverage for the Distribution Provider's liabilities undertaken pursuant to this Agreement.

8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

Article 9. Confidentiality

9.1 Confidential Information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of this Agreement all design, operating specifications, and

metering data provided by the Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such.

9.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

9.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

9.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1 b.20, if FERC, 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 Agreement, the Party shall provide the requested information to FERC, within the time provided for in the request for information. In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC. The Party shall notify the other Party to this Agreement when it is notified by FERC 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 § 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.

Article 10. Disputes

10.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

10.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

10.3 If the dispute has not been resolved within two Business Days after receipt of the Notice, either Party may contact FERC's Dispute Resolution Service (DRS) for assistance in resolving the dispute.

10.4 The DRS will assist the Parties in either resolving their dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. DRS can be reached at 1-877-337-2237 or via the internet at http://www.ferc.gov/legal/adr.asp.

10.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.

10.6 If neither Party elects to seek assistance from the DRS, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

Article 11. Taxes

11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with FERC policy and Internal Revenue Service requirements.

11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Distribution Provider's tax exempt

status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

Article 12. Miscellaneous

12.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of California (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.2 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

12.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

12.4 Waiver

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

12.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement.

Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

12.5 Entire Agreement

This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

12.6 Multiple Counterparts

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

12.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and

independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. FERC expects all transmission providers, market participants, and interconnection customers interconnected to electric systems 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 are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

12.10 Environmental Releases

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 Small Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

12.11 Subcontractors

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

Party shall remain primarily liable to the other Party for the performance of such subcontractor.

12.11.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. 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 the Distribution Provider be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

12.12 Reservation of Rights

The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

Article 13. Notices

13.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____ State:_____ Zip:_____

Phone: _____ Fax: _____

If to the Distribution Provider:

Distribution Provider: _____

Attention:_____

Address:_____

City:_____ State:_____ Zip:_____

Phone: _____ Fax: _____

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

Distribution Provider: _____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

If to the Distribution Provider:

Distribution Provider: _____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

Distribution Provider's Operating Representative:

Distribution Provider: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

13.5 Changes to the Notice Information

Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

Article 14. Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Distribution Provider

Name: _____

Title: _____

Date: _____

For the Interconnection Customer

Name: _____

Title: _____

Date: _____

Attachment 1

Glossary of Terms

Adverse System Impact – A potential or actual negative effect 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 – The entity that operates an Affected System.

Affiliate – 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.

Applicable Laws and Regulations – 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 – The reliability council applicable to the Distribution System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards – 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.

Area Deliverability Constraint – A transmission system operating limit, that would constrain the deliverability of a substantial number of generators if the CAISO were to assign full capacity or partial capacity deliverability status to additional generating facilities in one or more specified

geographic or electrical areas of the CAISO Controlled Grid in a total amount that is greater than the TP Deliverability for those areas. May also be a transmission system operating limit that constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process (TPP) portfolio for the entire portfolio area. May also be a transmission system operating limit that constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrade (ADNU) – A transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint.

Base Case – The 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 CAISO, 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 CAISO 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 CAISO 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 – The failure of a Party to perform or observe any material term or condition of the GIA.

Breaching Party – A Party that is in Breach of the GIA.

Business Day – Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.

Calendar Day – Any day including Saturday, Sunday or a Federal Holiday.

CAISO – California Independent System Operator Corporation. See also ISO.

Clustering – The process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection System Impact Study.

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

Commercial Operation Date – The date on which an Electric Generating Unit at a Generating Facility has received final written Permission to Operate from the Distribution Provider for operation of the generation facilities in parallel with the utility.

Confidential Information – 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 – 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 – 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.

CPUC – California Public Utilities Commission.

Default – The failure of a breaching Party to cure its Breach under the Small Generator Interconnection Agreement.

Deliverability – (1) The annual Net Qualifying Capacity of a Generating Facility, as verified through a Deliverability assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide. (2) The annual Maximum Import Capability of an intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-serving Entities collectively can procure from imports at that intertie to meet their resource adequacy requirements.

Deliverability Assessment – An evaluation of the On-Peak Deliverability Assessment set forth in GIP Section 5.8.3, and the Off-Peak Deliverability Assessment set forth in GIP Section 5.8.3 to determine if a Generating Facility or a group of Generating Facilities could provide Energy to the CAISO Controlled Grid and be delivered to the aggregate of Load on the CAISO Controlled Grid at Peak Load, under a variety of severely stressed conditions.

Deliverability Status – An attribute of a Generating Facility that is requested by an Interconnection Customer for the Generating Facility, assigned by the CAISO to the Generating Facility through the GIP, GIDAP, or other process specified in the CAISO tariff, and that affects the maximum Net Qualifying Capacity to which the Generating Facility could be entitled.

Delivery Network Upgrades – 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. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

Dispute Resolution – 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 Small 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 – 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 – 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 Small 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 – 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 – An individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered.

Emergency Condition – 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 – 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).

Environmental Law – The applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

Federal Power Act – The Federal Power Act, as amended, 16 U.S.C. §§ 791a et seq.

FERC – The Federal Energy Regulatory Commission (Commission) or its successor.

Full Capacity Deliverability Status (FCDS) – 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.

Generating Facility – The 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. 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 – 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) – Either the Small Generator Interconnection Agreement (SGIA), which is Attachment F to the 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 the Wholesale Distribution Tariff.

Generator Interconnection and Deliverability Allocation Procedures (GIDAP) – See ISO's Generator Interconnection and Deliverability Allocation Procedures (ISO Tariff GIDAP)

Generator Interconnection Procedures (GIP) – See the definition for either ISO's Tariff Generator Interconnection Procedures (ISO Tariff GIP), or Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP).

Good Utility Practice – 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 – 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 the Interconnection Customer, the Interconnection Provider, or any Affiliate thereof.

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

In-Service Date – 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, the Transmission Owner or any of the affiliates or subsidiaries of either, that proposes to interconnect its Small Generating Facility with the Distribution Provider's Distribution System.

Interconnection Customer's Interconnection Facilities – 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 Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Small 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 Financial Security – The financial instrument(s) submitted by the Interconnection Customer to the Distribution Provider prior to the start of any Construction Activities as a security for the Distribution Provider against the estimated costs of the Construction Activities described in the Generator Interconnection Agreement. The Interconnection Customer may post the Interconnection Financial Security using any of the financial instruments listed in the WDT GIP.

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 this SGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this SGIA shall govern.

Interconnection Request – The Interconnection Customer's request, in accordance with the Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with the Distribution Provider's Distribution System.

Interconnection Service – 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.

IRS – The Internal Revenue Service.

ISO – 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. See also CAISO.

ISO Grid – 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 and Deliverability Allocation Procedures (ISO Tariff GIDAP) – The procedures included in 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. See also GIDAP.

ISO's Generator Interconnection Procedures (ISO Tariff GIP) – The procedures included in 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. See also GIP.

Large Generating Facility – A Generating Facility having a Generating Facility Capacity of more than 20 MW.

Letter Agreement – An agreement that authorizes the Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Local Deliverability Constraint – A transmission system operating limit modeled in the GIDAP study process that would be exceeded if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade (LDNU) – A transmission upgrade or addition identified by the CAISO in the GIDAP Interconnection Study Process to relieve a Local Deliverability Constraint.

Loss – 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 valid interconnection request to the Distribution Provider or the ISO with a later queue priority date.

Metering Equipment – 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 – 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 Small Generating Facility to the Distribution Provider's Distribution System. Network Upgrades do not include Distribution Upgrades. See also: **Area Delivery Network Upgrades; Delivery Network Upgrades; Local Delivery Network Upgrades; and Reliability Network Upgrades**.

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

Operating Requirements – Any operating and technical requirements that may be applicable due to Regional Transmission Organization, California Independent System Operator, control area, or the Distribution Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

Participating Transmission Owner – An entity which (i) owns, operates, and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities; and (ii) has transferred to the ISO operational control of such facilities and/or entitlements to be made part of the ISO Grid.

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

Point of Change of Ownership – The point 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 set forth in the GIA where the Interconnection Facilities connect with the Distribution Provider's Distribution System.

Pre-Construction Activities – The actions by the Distribution Provider, other than those required by a Letter Agreement under Section 7 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.

Qualifying Capacity – The maximum Resource Adequacy Capacity that a Resource Adequacy Resource may be eligible to provide. The criteria and methodology for calculating the Qualifying Capacity of resources may be established by the CPUC or other applicable Local Regulatory Authority and provided to the CAISO. A resource's eligibility to provide Resource Adequacy Capacity may be reduced below its Qualifying Capacity through the CAISO's assessment of Net Qualifying Capacity.

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

Reasonable Efforts – With respect to an action required to be attempted or taken by a Party under the Small 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.

Reliability Network Upgrades – 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.

Resource Adequacy (RA) – A mandatory planning and procurement process to ensure adequate resources to serve all customers in real time. The program requires that Load Serving Entities (LSEs) meet a Planning Reserve Margin for their obligations. The program provides deliverability criteria that each LSE must meet, as well as system and local capacity requirements. Rules are provided for "counting" resources towards meeting resource adequacy obligations. The resources that are counted for RA purposes must make themselves available to the California ISO for the capacity for which they were counted. The ISO's Interim Reliability Requirements Program and the resource adequacy under MRTU tariff provisions are intended to complement the State of California's efforts to implement resource adequacy programs.

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

Site Exclusivity – The third option to prove Site Control and applies only in instances when the Interconnection Customer has a business (private) or government agency (public) relationship with the project site's deed holder.

(1) For private land, Site Exclusivity shall mean documentation reasonably demonstrating legal authorization from the land owner showing the Interconnection Customer has either (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, Site Exclusivity shall mean documentation from the governing public agency providing a final, non-appealable permit, license, or other exclusive legal right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility. Such documentation showing exclusive right to use public land under the management of a Local, State, or Federal agency shall be in a form specified by that agency.

Smart Inverter – A Generating Facility's inverter that performs functions that when activated can autonomously contribute to grid support during excursions from normal operating voltage and frequency system conditions by providing dynamic reactive/real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands and other functions.

Small Generating Facility - An 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, that has a generating capacity of 20 megawatts (MW) or less

Stand Alone Network Upgrades – 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 – 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.

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 – The period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to Commercial Operation. Also known as Permission to Parallel for Test Purposes.

Uncontrollable Force – 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 Distribution System, at or beyond the Point of Interconnection. Upgrades may be Network Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP) – The procedures included in the Distribution Provider's Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider's Distribution System, as such procedures may be modified from time to time, and accepted by the Commission.

Attachment 2

Description and Costs of the Small Generating Facility, Interconnection Facilities, and Metering Equipment

Equipment, including the Small Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer, the Distribution Provider, Distribution Owner or the Transmission Owner. The Distribution Provider will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment.

Actual costs incurred by the Interconnection Customer to install these Interconnection Facilities will be trued up with the Interconnection Customer once this project has achieved commercial operation, per Article 6.1 of this agreement. The Interconnection Customer will be responsible for payment of all actual costs incurred to install these facilities, and any additional facilities identified as necessary during the engineering, design, or construction phases. Should additional facilities be deemed necessary for the interconnection of this facility, Distribution Provider will identify these additional facilities as soon as possible in the construction phase, and will coordinate with the Interconnection Customer on the additional costs and timing needed to implement them. As needed, the costs of ownership for these Interconnection Facilities also will be updated once this project has achieved commercial operation.

Attachment 3

One-line Diagram Depicting the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Upgrades

Attachment 4

Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____
(10)	_____	_____

Attachment 5

Additional Operating Requirements for the Distribution Provider's Distribution System, Transmission System and Affected Systems Needed to Support the Interconnection Customer's Needs

The Distribution Provider shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation with the Distribution Provider's Distribution System. At a minimum, the Interconnection Customer agrees to construct and interconnect the facility described in this agreement with the PG&E system in accordance with the standards and requirements described in the PG&E Transmission Interconnection Handbook (TIH) and the Distribution Interconnection Handbook (DIH).

Attachment 6

Distribution Provider's Description of its Upgrades and Best Estimate of Upgrade Costs

The Distribution Provider shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades. The Distribution Provider shall functionalize Upgrade costs and annual expenses as either transmission or distribution related.

Actual costs incurred by the Interconnection Customer to install these Distribution Upgrades and Network Upgrades will be trued up with the Interconnection Customer once this project has achieved commercial operation, per Article 6.1 of this agreement. The Interconnection Customer will be responsible for payment of all actual costs incurred to install these facilities, and any additional facilities identified as necessary during the engineering, design, or construction phases. Should additional upgrades be deemed necessary for the interconnection of this facility, Distribution Provider will identify these additional upgrades as soon as possible in the construction phase, and will coordinate with the Interconnection Customer on the additional costs and timing needed to implement them. As needed, the costs of ownership for these Interconnection Facilities also will be updated once this project has achieved commercial operation.

Reliability Network Upgrades will be reimbursed pursuant to Article 5.2.1.

ATTACHMENT G:
Large Generator Interconnection Procedures (LGIP)

(Applicable to Generating Facilities that exceed 20 MW)

Section 1. Definitions.

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

Affected System shall mean an electric system other than the Distribution Provider's Distribution 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 Distribution Provider's Distribution 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 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.

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

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

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

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

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 pursuant to Appendix E to the Standard 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 an Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard 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 Owner shall mean an 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 Standard Large Generator Interconnection Agreement to the extent necessary.

Distribution Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term 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 Appendix A to the Standard Large Generator Interconnection Agreement, 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 shall mean 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 shall mean 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 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 Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

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

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 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 Standard Large Generator Interconnection Agreement to possess black start capability.

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.

Generating Facility shall mean Interconnection Customer's Electric Generating Unit(s) used for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

Generating Facility Capacity shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple Electric Generating Units.

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.

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

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

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

Interconnection Customer shall mean any entity, including the Distribution Provider, 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 Appendix A of the Standard 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 Distribution Provider's Distribution System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean 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, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Distribution Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Distribution Provider's Interconnection Facilities 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 Section 8 of the Standard Large Generator Interconnection Procedures.

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

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Distribution Provider's Distribution System, the scope of which is described in Section 6 of the Standard Large Generator Interconnection Procedures.

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

Interconnection Handbook shall mean 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. Distribution Provider's standards contained in the Interconnection Handbook shall be deemed consistent with Good Utility Practice and Applicable Reliability Standards. In the event of a conflict between the terms of the Standard Large Generator Interconnection Procedures and the terms of the Distribution Provider’s

Interconnection Handbook, the terms in the Standard Large Generator Interconnection Procedures shall govern.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard 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 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 Standard Large Generator Interconnection Agreement and, if applicable, the Distribution Provider's Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Interconnection System Impact Study, and the Interconnection Facilities Study described in the Standard Large Generator Interconnection Procedures.

Interconnection System Impact Study shall mean an engineering study 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 study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Standard Large Generator Interconnection Procedures.

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

IRS shall mean the Internal Revenue Service.

ISO or CAISO 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 Tariff Large Generator Interconnection Procedures (ISO Tariff LGIP) shall mean the procedures included in the ISO Tariff to interconnect a Large 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.

Letter Agreement shall mean an agreement that authorizes the Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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 Standard 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 Standard 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 Council or its successor organization.

Network Upgrades shall mean Reliability Network Upgrades.

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

Optional Interconnection Study shall mean a sensitivity analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 5 of the Standard Large Generator Interconnection Procedures for conducting the Optional Interconnection Study.

Party or Parties shall mean Distribution Provider, Distribution 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 Standard Large Generator Interconnection Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Distribution Provider's Interconnection Facilities.

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

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 of receipt of the valid 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 Standard 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.

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 a Large Generating Facility safely and reliably to the ISO Grid, which would not have been necessary but for the interconnection of the Large Generating Facility, including Network Upgrades necessary to remedy short circuit or stability problems resulting from the interconnection of the Large Generating Facility to the Distribution Provider's Distribution System. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Large Generating Facility's interconnection may have on a path's WECC rating.

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

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

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 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 Appendix A to the Standard Large Generator Interconnection Agreement.

Standard 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 Distribution Provider's Tariff.

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

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

Transmission System shall mean those transmission facilities owned by the Distribution Provider or 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, fire, storm, flood, earthquake, 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.

Section 2. Scope and Application.

2.1 Application of Standard Large Generator Interconnection Procedures.

Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Large Generating Facility.

2.2 Comparability

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

2.3 Base Case Data

Distribution Provider shall provide base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions in LGIP Section 13.1. Distribution Provider is permitted to require that Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such 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 Distribution Service

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

Section 3. Interconnection Requests.

3.1 General

An Interconnection Customer shall submit to Distribution Provider an Interconnection Request in the form of Appendix 1 to this LGIP and a refundable deposit of $10,000. Distribution Provider shall apply the deposit toward the cost of an Interconnection Feasibility Study. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

If the Interconnection Customer also desires Distribution Service, then the Interconnection Customer shall submit to the Distribution Provider an Application in accordance with Section 15.2 of the Tariff, including the required deposit. If the Application for Distribution Service is deemed a Completed Application, then the schedule for performing the System Impact Study and Facilities Study, and for executing the Service Agreement shall coincide with the schedule for performing the Interconnection System Impact Study and Interconnection Facilities Study, and executing the LGIA.

At Interconnection Customer's option, Distribution Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer

will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Interconnection Service

3.2.1 The Product

Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Distribution System and be eligible to deliver the Large Generating Facility's output using the capacity of the Distribution System to the ISO Grid. Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

3.2.2 The Interconnection Studies

The Interconnection Studies consist of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities, Distribution Upgrades, and any required Reliability Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify any necessary Network 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 Network Upgrades.

The Distribution Provider may also study the Distribution System under non-peak load conditions. However, upon request by the Interconnection Customer, the Distribution Provider must explain in writing to the Interconnection Customer why the study of nonpeak load conditions is required for reliability purposes.

3.2.3 Network Upgrades.

Unless the Distribution Provider elects to fund the capital for Network Upgrades, they shall be solely funded by the Interconnection Customer.

3.2.4 Repayment of Amounts Advanced for Network Upgrades.

The Interconnection Customer shall be entitled to a repayment for the cost of Network Upgrades in accordance with ISO Tariff LGIP Section 3.4.3.

3.3 Valid Interconnection Request

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a $10,000 deposit; (ii) a completed application in the form of Appendix 1; and (iii) demonstration of Site Control or a posting of an additional deposit of $10,000. Such deposits shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. If Interconnection Customer demonstrates Site Control within the cure period specified in Section 3.3.3 after submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, all such deposit(s), additional and initial, become non-refundable.

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 Distribution Provider's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by Distribution 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 Distribution Provider by a period up to ten years, or longer where Interconnection Customer and Distribution Provider agree, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment of Interconnection Request.

Distribution 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 acknowledgment.

3.3.3 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Distribution Provider. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, Distribution Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Distribution Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Scoping Meeting

Within ten (10) Business Days after receipt of a valid Interconnection Request, Distribution Provider shall establish a date agreeable to Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Distribution Provider and Interconnection Customer will 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; and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Distribution 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. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

3.4 Internet Posting

Distribution Provider will maintain on its website 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; and (vi) the availability of any studies related to the Interconnection Request; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (ix) 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 requests that Distribution Provider file an unexecuted LGIA with FERC. Before holding a Scoping Meeting with its Affiliate, Distribution Provider shall post on its website an advance notice of its intent to do so. Distribution Provider shall post to its website any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to Distribution Provider's website subsequent to the meeting between Interconnection Customer and Distribution Provider to discuss the applicable study results. Distribution

Provider shall also post any known deviations in the Large Generating Facility's In-Service Date.

3.5 Coordination with Affected Systems

Distribution 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. Distribution Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this LGIP. Interconnection Customer will cooperate with Distribution 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 Distribution Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.6 Withdrawal

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Distribution Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this LGIP, except as provided in Section 13.5 (Disputes), Distribution 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 Distribution Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. 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 Distribution Provider all costs that Distribution Provider prudently incurs with respect to that Interconnection Request prior to Distribution Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Distribution Provider before it is allowed to obtain any Interconnection Study data or results.

Distribution Provider shall (i) update the Internet Queue Position posting; and (ii) refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds the costs that Distribution Provider has incurred, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, Distribution Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Distribution Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

Section 4. Queue Position.

4.1 General

Distribution Provider shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and Interconnection Customer provides such information in accordance with Section 3.3.3, then Distribution Provider shall assign Interconnection Customer a Queue Position based on the date the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under Section 4.4.3.

The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request. A higher queued

Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is lower queued.

Distribution Provider may allocate the cost of the common upgrades for clustered Interconnection Requests without regard to Queue Position.

4.2 Clustering

At Distribution Provider's option, Interconnection Requests may be studied serially or in clusters for the purpose of the Interconnection System Impact Study.

Clustering shall be implemented on the basis of Queue Position. If Distribution Provider elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the "Queue Cluster Window" shall be studied together. The deadline for completing all Interconnection System Impact Studies for which an Interconnection System Impact Study Agreement has been executed during a Queue Cluster Window shall be in accordance with Section 7.4, for all Interconnection Requests assigned to the same Queue Cluster Window. Distribution Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Generating Facility.

Clustering Interconnection System Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Distribution System’s and Transmission System's capabilities at the time of each study.

The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on Distribution Provider's website beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.

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 Distribution 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 or 4.4.5, 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 Distribution Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Distribution Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution 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 6.4, Section 7.6 and Section 8.5 as applicable and Interconnection Customer shall retain its Queue Position.

4.4.1 Prior to the return of the executed Interconnection System Impact Study Agreement to Distribution 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; (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 to the end of the queue for the purposes of cost allocation and study analysis.

4.4.2 Prior to the return of the executed Interconnection Facility Study Agreement to Distribution Provider, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output (MW), and (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.

4.4.3 Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, and 4.4.5, Interconnection Customer may first request that Distribution Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Distribution Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

4.4.4 Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, Distribution Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Distribution 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.

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Large Generator Interconnection Procedures.

5.1 Queue Position for Pending Requests

5.1.1 Any Interconnection Customer assigned a Queue Position prior to the effective date of this LGIP shall retain that Queue Position.

5.1.1.1 If an Interconnection Study Agreement has not been executed as of the effective date of this LGIP, then such Interconnection Study, and any subsequent Interconnection Studies, shall be processed in accordance with this LGIP.

5.1.1.2 If an Interconnection Study Agreement has been executed prior to the effective date of this LGIP, such Interconnection Study shall be completed in accordance with the terms of such agreement. With respect to any remaining studies for which an Interconnection Customer has not signed an Interconnection Study Agreement prior to the effective date of the LGIP, Distribution Provider must offer Interconnection Customer the option of either continuing under Distribution Provider's existing interconnection study process or going forward with the completion of the necessary Interconnection Studies (for which it does not have a signed Interconnection Studies Agreement) in accordance with this LGIP.

5.1.1.3 If an LGIA has been submitted to FERC for approval before the effective date of the LGIP, then the LGIA would be grandfathered.

5.1.2 Transition Period.

To the extent necessary, Distribution Provider and Interconnection Customers with an outstanding request (i.e., an Interconnection Request for which an LGIA has not been submitted to FERC for approval as of the effective date of this LGIP) shall transition to this LGIP within a reasonable period of time not to exceed sixty (60) Calendar Days. The use of the term "outstanding request" herein shall mean any Interconnection Request, on the effective date of this LGIP: (i) that has been submitted but not yet accepted by Distribution Provider; (ii) where the related interconnection agreement has not yet been submitted to FERC for approval in executed or unexecuted form; (iii) where the relevant Interconnection Study Agreements have not yet been executed, or (iv) where any of the relevant Interconnection Studies are in process but not yet completed. Any Interconnection Customer with an outstanding request as of the effective date of this LGIP may request a reasonable extension of any deadline, otherwise applicable, if necessary to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by Distribution Provider to the extent consistent with the intent and process provided for under this LGIP.

5.2 New Distribution Provider

If Distribution Provider transfers control of its Distribution System to a successor Distribution Provider during the period when an Interconnection Request is pending, the original Distribution Provider shall transfer to the successor Distribution 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 Distribution Provider shall coordinate with the successor Distribution Provider to complete any Interconnection Study, as appropriate, that the original Distribution Provider has begun but has not completed. If Distribution Provider has tendered a draft LGIA to Interconnection Customer but Interconnection Customer has not either executed the LGIA or requested

the filing of an unexecuted LGIA with FERC, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Distribution Provider.

Section 6. Interconnection Feasibility Study.

6.1 Interconnection Feasibility Study Agreement

Simultaneously with the acknowledgement of a valid Interconnection Request Distribution Provider shall provide to Interconnection Customer an Interconnection Feasibility Study Agreement in the form of Appendix 2. The Interconnection Feasibility Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting Interconnection Customer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following Distribution Provider's receipt of such designation, Distribution Provider shall tender to Interconnection Customer the Interconnection Feasibility Study Agreement signed by Distribution Provider, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. Interconnection Customer shall execute and deliver to Distribution Provider the Interconnection Feasibility Study Agreement along with a $10,000 deposit no later than thirty (30) Calendar Days after its receipt. On or before the return of the executed Interconnection Feasibility Study Agreement to Distribution Provider, Interconnection Customer shall provide the technical data called for in Appendix 1, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Interconnection Customer or Distribution Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and Re-studies shall be completed pursuant to Section 6.4 as applicable. For the purpose of this Section 6.1, if Distribution Provider and Interconnection Customer cannot agree on the

substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

If Interconnection Customer and Distribution Provider agree to forgo the Interconnection Feasibility Study, Distribution Provider will initiate an Interconnection System Impact Study under Section 7 of this LGIP and apply the $10,000 deposit towards the Interconnection System Impact Study.

6.2 Scope of Interconnection Feasibility Study

The Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the Distribution System. The Interconnection Feasibility Study will consider the Base Case as well as all generating facilities (and with respect to (iii), any identified Distribution Upgrades and Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the Distribution 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 Distribution System; and (iv) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis. The Interconnection Feasibility Study will provide a list of facilities and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

6.3 Interconnection Feasibility Study Procedures

Distribution Provider shall utilize existing studies to the extent practicable when it performs the study. Distribution Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than forty-five (45) Calendar Days after Distribution Provider receives the fully executed Interconnection Feasibility Study Agreement. At the request of Interconnection Customer or at any time Distribution Provider determines that it will not meet the required time frame for completing the

Interconnection Feasibility Study, Distribution Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Feasibility Study. If Distribution Provider is unable to complete the Interconnection Feasibility Study within that time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Distribution Provider shall provide Interconnection Customer supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Interconnection Feasibility Study, subject to confidentiality arrangements consistent with Section 13.1.

6.3.1 Meeting with Distribution Provider.

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Interconnection Customer, Distribution Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Feasibility Study.

6.4 Re-Study

If Re-Study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 6.1 Distribution Provider shall notify Interconnection Customer in writing. Such Re-Study shall take not longer than forty-five (45) Calendar Days from the date of the notice. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

Section 7. Interconnection System Impact Study.

7.1 Interconnection System Impact Study Agreement

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Interconnection Feasibility Study to Interconnection Customer, Distribution Provider shall provide to Interconnection Customer an Interconnection System Impact Study Agreement in the form of Appendix 3

to this LGIP. The Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Distribution Provider for the actual cost of the Interconnection System Impact Study. Within three (3) Business Days following the Interconnection Feasibility Study results meeting, Distribution Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection System Impact Study.

7.2 Execution of Interconnection System Impact Study Agreement

Interconnection Customer shall execute the Interconnection System Impact Study Agreement and deliver the executed Interconnection System Impact Study Agreement to Distribution Provider no later than thirty (30) Calendar Days after its receipt along with demonstration of Site Control, and a $50,000 deposit.

If Interconnection Customer does not provide all such technical data when it delivers the Interconnection System Impact Study Agreement, Distribution Provider shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Interconnection System Impact Study Agreement and Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Interconnection System Impact Study Agreement or deposit.

If the Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Interconnection Customer or Distribution Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 7.6 as applicable. For the purpose of this Section 7.2, if Distribution Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as

specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

7.3 Scope of Interconnection System Impact Study

The Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Distribution System and Transmission System. The Interconnection System Impact Study will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Distribution Upgrades and Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced: (i) are directly interconnected to the Distribution 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 Distribution System; and (iv) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC.

The Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

7.4 Interconnection System Impact Study Procedures

Distribution Provider shall coordinate the Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Distribution Provider shall utilize existing studies to the extent practicable when it

performs the study. Distribution Provider shall use Reasonable Efforts to complete the Interconnection System Impact Study within ninety (90) Calendar Days after the receipt of the Interconnection System Impact Study Agreement or notification to proceed, study payment, and technical data. If Distribution Provider uses Clustering, Distribution Provider shall use Reasonable Efforts to deliver a completed Interconnection System Impact Study within ninety (90) Calendar Days after the close of the Queue Cluster Window.

At the request of Interconnection Customer or at any time Distribution Provider determines that it will not meet the required time frame for completing the Interconnection System Impact Study, Distribution Provider shall notify Interconnection Customer as to the schedule status of the Interconnection System Impact Study. If Distribution Provider is unable to complete the Interconnection System Impact Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Distribution Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

7.5 Meeting with Distribution Provider

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

7.6 Re-Study

If Re-Study of the Interconnection System Impact Study is required due to a higher queued project dropping out of the queue, a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 7.2 Distribution Provider shall notify Interconnection Customer in writing. Such

Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

Section 8. Interconnection Facilities Study.

8.1 Interconnection Facilities Study Agreement

Simultaneously with the delivery of the Interconnection System Impact Study to Interconnection Customer, Distribution 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 Distribution Provider for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Interconnection System Impact Study results meeting, Distribution Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Distribution Provider within thirty (30) Calendar Days after its receipt, together with the required technical data and the greater of $100,000 or Interconnection Customer's portion of the estimated monthly cost of conducting the Interconnection Facilities Study.

8.1.1 Distribution 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. Distribution Provider shall continue to hold the amounts on deposit until settlement of the final invoice.

8.2 Scope of Interconnection Facilities Study

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to

physically and electrically connect the Interconnection Facility to the Distribution 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

8.3 Interconnection Facilities Study Procedures

Distribution Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 above. Distribution Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Distribution 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.

At the request of Interconnection Customer or at any time Distribution Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Distribution Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If Distribution 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 report, provide written comments to Distribution Provider, which Distribution Provider shall include in the final report. Distribution 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. Distribution Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Distribution Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Distribution 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. If Network Upgrades are required, or have been elected by the Interconnection Customer, to interconnect the Large Generating Facility to the Distribution System, the Distribution Provider may provide a copy of the Interconnection Facilities Study and supporting data to the ISO for informational purposes.

8.4 Meeting with Distribution Provider

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Distribution Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study. Within ten (10) Business Days of this meeting the Interconnection Customer shall make the election of which Network Upgrades identified in the Interconnection Facilities Study are to be installed.

8.5 Re-Study

If Re-Study of the Interconnection Facilities Study is required due to a higher queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Distribution Provider shall so notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

Section 9. Letter Agreement.

Prior to executing an LGIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Distribution Provider shall offer the Interconnection Customer, a Letter Agreement that authorizes Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection. However, Distribution Provider shall not be obligated to offer a Letter 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 Letter Agreement is an optional procedure and it will not alter the Interconnection Customer's Queue Position or In-Service Date. The Letter 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.

Following an Interconnection Customer’s request for a Letter Agreement, Distribution Provider shall prepare and tender to the Interconnection Customer a draft Letter Agreement in the form of the Distribution Provider’s FERC-approved Letter Agreement as set forth in Attachment J to the GIP, including draft exhibits that include the proposed scope of work, estimated costs, payments, financial security and milestones, as applicable. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft exhibits within thirty (30) Calendar Days. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the exhibits to the draft Letter Agreement for not more than ninety (90) Calendar Days after the Distribution Provider tenders the draft Letter Agreement to the Interconnection Customer. 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 Letter Agreement and request submission of the unexecuted Letter Agreement with FERC or initiate Dispute Resolution procedures pursuant to GIP Section 6.2. If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after the Distribution Provider tenders the draft Letter Agreement to the Interconnection Customer, fails to request either the filing of the unexecuted Letter Agreement or initiate Dispute Resolution, it shall be deemed to have withdrawn its request for a Letter Agreement and the Distribution Provider shall have no further obligation to enter into a Letter Agreement, unless

an extension is mutually agreed to by the parties. Distribution Provider shall provide to Interconnection Customer a final Letter Agreement within fifteen (15) Business Days after the completion of the negotiation process.

Following submission of the final Letter Agreement to the Interconnection Customer, Interconnection Customer shall either: (i) execute two originals of the tendered Letter Agreement and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a Letter Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered Letter Agreement (if it does not conform with a FERC-approved Letter Agreement) or the request to file an unexecuted Letter Agreement, Distribution Provider shall file the Letter Agreement with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the Letter Agreement. An unexecuted Letter Agreement should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request.

If Interconnection Customer executes the final Letter Agreement, Distribution Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the Letter Agreement, subject to modification by FERC. Upon submission of an unexecuted Letter Agreement, Interconnection Customer and Distribution Provider shall promptly comply with the unexecuted Letter Agreement, subject to modification by FERC.

Section 10. Optional Interconnection Study.

10.1 Optional Interconnection Study Agreement

On or after the date when Interconnection Customer receives Interconnection System Impact Study results, Interconnection Customer may request, and Distribution Provider shall perform a reasonable number of Optional Studies. The request shall describe the assumptions that Interconnection Customer wishes Distribution Provider to study within the scope described in Section 10.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, Distribution Provider shall provide to

Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 5.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that Interconnection Customer must provide for each phase of the Optional Interconnection Study; (ii) specify Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case and assumptions as to the type of interconnection service for Interconnection Requests remaining in the Optional Interconnection Study case; and (iii) Distribution Provider's estimate of the cost of the Optional Interconnection Study. To the extent known by Distribution Provider, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, Distribution Provider shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the technical data and a $10,000 deposit to Distribution Provider.

10.2 Scope of Optional Interconnection Study

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify Distribution Provider's Interconnection Facilities, Distribution Upgrades, and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or Interconnection Service based upon the results of the Optional Interconnection Study. The Optional Interconnection Study shall be performed solely for informational purposes. Distribution Provider shall use Reasonable Efforts to coordinate the study with any Affected Systems that may be affected by the types of Interconnection Services that are

being studied. Distribution Provider shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

10.3 Optional Interconnection Study Procedures

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to Distribution Provider within ten (10) Business Days of Interconnection Customer receipt of the Optional Interconnection Study Agreement. Distribution Provider shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If Distribution Provider is unable to complete the Optional 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 Distribution Provider or refunded to Interconnection Customer, as appropriate. Upon request, Distribution Provider shall provide Interconnection Customer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

Section 11. Standard 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, Distribution Provider shall tender a draft LGIA, together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of Distribution Provider's FERC-approved standard form LGIA, which is Attachment H to the Tariff. Interconnection Customer shall execute and return the completed draft appendices within thirty (30) Calendar Days.

11.2 Negotiation

Notwithstanding Section 11.1, at the request of Interconnection Customer Distribution 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. Distribution 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 request submission of the unexecuted LGIA with FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted LGIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the LGIA, requested filing of an unexecuted LGIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request. Distribution Provider shall provide to Interconnection Customer a final LGIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing

Within fifteen (15) Business Days after receipt of the final LGIA, Interconnection Customer shall provide Distribution Provider (A) reasonable evidence that continued Site Control or (B) posting of $250,000, non-refundable additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to

the Large Generating Facility; (ii) the 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 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 them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC an LGIA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered LGIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, Distribution Provider shall file the LGIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed upon terms of the unexecuted LGIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities

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

11.5 Interconnection Customer to Meet Requirements of the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection

Handbook. In the event of a conflict between the terms of the Standard Large Generator Interconnection Procedures and the terms of the Distribution Provider's Interconnection Handbook, the terms in the Standard Large Generator Interconnection Procedures shall govern.

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

12.1 Schedule

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

12.2 Construction Sequencing

12.2.1 General

In general, the In-Service Date of an Interconnection Customers seeking interconnection to the Distribution System will determine the sequence of construction of Distribution Upgrades and Network Upgrades.

12.2.2 Advance Construction of Distribution Upgrades and 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 Distribution Provider advance to the extent necessary the completion of Distribution Upgrades and 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 Distribution System, in time to support such In-Service Date. Upon such request, Distribution Provider will use Reasonable Efforts to advance the construction of such

Distribution Upgrades and 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 Distribution Upgrades and Network Upgrades.

Distribution Provider will refund to Interconnection Customer both the expediting costs and the cost of Network Upgrades, in accordance with Article 11.4 of the LGIA. Consequently, the entity with a contractual obligation to construct such Network Upgrades shall be obligated to pay only that portion of the costs of the Network Upgrades that Distribution Provider has not refunded to Interconnection Customer. Payment by that entity shall be due on the date that it would have been due had there been no request for advance construction. Distribution 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. Distribution Provider then shall refund to that entity the amount that it paid for the Network Upgrades, in accordance with Article 11.4 of the LGIA.

12.2.3 Advancing Construction of Distribution Upgrades and Network Upgrades that are Part of an Expansion Plan of the Distribution Provider.

An Interconnection Customer with an LGIA, in order to maintain its In-Service Date, may request that Distribution Provider advance to the extent necessary the completion of Distribution Upgrades and 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 Distribution Provider, in time to support such In-Service Date. Upon such request, Distribution Provider will use Reasonable Efforts to advance the construction of such Distribution Upgrades and Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Distribution Provider any associated expediting costs. Interconnection Customer shall be entitled to transmission credits, if any, in

accordance with the ISO Tariff LGIP and the LGIA, for any expediting costs paid.

12.2.4 Amended Interconnection Study.

An Interconnection 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 potential purchasers or assignees of Interconnection Customer, on a need-to know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other

Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties

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

13.1.5 Standard of Care

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

13.1.6 Order of Disclosure

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the 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 its 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 Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

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

13.2 Delegation of Responsibility

Distribution Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this LGIP. Distribution 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

Distribution Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefore. Distribution Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

13.4 Third Parties Conducting Studies

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study; (ii) Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.3 that Distribution Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study; or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Distribution Provider to utilize a third party consultant reasonably acceptable to

Interconnection Customer and Distribution Provider to perform such Interconnection Study under the direction of Distribution Provider. At other times, Distribution 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 Distribution Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Distribution 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 Distribution Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Distribution 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 soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either Interconnection Customer or Distribution Provider at Distribution 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 Distribution 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. Distribution 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 dispute or claim shall be resolved in accordance with the Dispute Resolution Procedures set forth in Section 9 of the Tariff. Procedures set forth in Section 9 of the Tariff.

13.6 Local Furnishing Bonds

13.6.1 Distribution Providers That Own Facilities Financed by Local Furnishing Bonds.

This provision is applicable only to a Distribution Provider that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of this LGIA and LGIP, Distribution Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this LGIA and LGIP if the provision of such Distribution Service would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance Distribution Provider’s facilities that would be used in providing such Interconnection Service.

13.6.2 Alternative Procedures for Requesting Interconnection Service

If Distribution Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) 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 4.2(ii) of the Distribution 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 Distribution Provider's Distribution System pursuant to a Tariff.

2. This Interconnection Request is for (check one):

_____ A proposed new Large Generating Facility.

_____ An increase in the generating capacity or a Material Modification of an existing Generating Facility.

3. Interconnection Customer provides the following information:

   a. Address or location 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. Commercial Operation Date (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 (optional); and

   g. Interconnection Customer Data (set forth in Attachment A)

4. Applicable deposit amount as specified in the LGIP.

5. Evidence of Site Control as specified in the LGIP (check one)

_____ Is attached to this Interconnection Request

_____ Will be provided at a later date in accordance with this LGIP

6. This Interconnection Request shall be submitted to the representative indicated below:

Pacific Gas & Electric Company
[title]
[address]
Overnight address: [address]
Telefax Number:

7. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

8. If the Interconnection Customer also requests Distribution Service, additional information and an additional deposit is required in accordance with Section 15.4 of the Tariff.

9. 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 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:_____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H =_____kW sec/kVA

Moment-of-Inertia, WR2 =_____lb. ft.2

REACTANCE DATA (PER UNIT-RATED KVA)	**DIRECT AXIS**	**QUADRATURE AXIS**
Synchronous – saturated Xdv	Xqv	
Synchronous – unsaturated Xdi	Xqi	
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 X2v_____

Negative Sequence – unsaturated X2i_____

Zero Sequence – saturated X0v_____

Zero Sequence – unsaturated X0i_____

Leakage Reactance Xlm_____

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 Ta3_____

Line to Line Short Circuit Ta2_____

Line to Neutral Short Circuit Ta1_____

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 R1_____

Negative R2_____

Zero R0_____

Rotor Short Time Thermal Capacity I22t =_____

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

_____/_____kV

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

_____/_____

Fixed Taps Available_____

Present Tap Setting_____

IMPEDANCE

Positive Z1 (on self-cooled kVA rating)_____%_____X/R

Zero Z0 (on self-cooled kVA rating)_____%_____X/R

EXCITATION SYSTEM DATA

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

GOVERNOR SYSTEM DATA

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

WIND GENERATORS

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

Elevation:_____ Single Phase_____ Three Phase_____

Inverter manufacturer, model name, number, and version:

_____

List of adjustable setpoints for the protective equipment or software:

_____

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

INDUCTION GENERATORS:

(*) Field Volts:_____

(*) Field Amperes:_____

(*) Motoring Power (kW):_____

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

I22t 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 Distribution Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

Appendix 2 to LGIP

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ existing under the laws of the State of _____, ("Distribution Provider "). Interconnection Customer and Distribution 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 Distribution System; and

WHEREAS, Interconnection Customer has requested Distribution Provider to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed Large Generating Facility to the Distribution 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 Distribution Provider's FERC approved LGIP.

2.0 Interconnection Customer elects and Distribution Provider shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of this LGIP in accordance with the Tariff.

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

4.0 The Interconnection Feasibility Study shall be based on the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. Distribution Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.3.4 of the LGIP. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the LGIP, Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.

5.0 The Interconnection Feasibility Study report shall provide the following information:

preliminary identification of any 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;

preliminary description and non-bonding estimated cost of facilities required to interconnect the Large Generating Facility to the Distribution System and to address the identified short circuit and power flow issues; and

6.0 Interconnection Customer shall provide a deposit of $10,000 for the performance of the Interconnection Feasibility Study.

Upon receipt of the Interconnection Feasibility Study Distribution Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study.

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

7.0 Miscellaneous.

7.1 Dispute Resolution.

7.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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 the LGIP.

7.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 7.4, the terms of this Section 7.4 shall prevail.

7.1.3 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 this Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

7.1.4 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.

7.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.

7.3 Binding Effect. This Interconnection Feasibility Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

7.5 Rules of Interpretation. This Interconnection Feasibility Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection Feasibility Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection Feasibility Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection Feasibility Study Agreement or such Appendix to this Interconnection Feasibility Study Agreement, 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 Interconnection Feasibility Study Agreement 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”.

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

7.7 No Third Party Beneficiaries. This Interconnection Feasibility Study Agreement s 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.

7.8 Waiver. The failure of a Party to this Interconnection Feasibility Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Feasibility Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Interconnection Feasibility Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Interconnection Feasibility Study Agreement. Termination or default of this Interconnection Feasibility Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Interconnection Feasibility Study Agreement shall, if requested, be provided in writing.

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

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

7.11 Amendment. The Parties may by mutual agreement amend this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties.

7.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection System Impact Study Agreement upon satisfaction of all applicable laws and regulations.

7.13 Reservation of Rights. The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Interconnection Feasibility Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection Feasibility Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection Feasibility Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the parties otherwise mutually agree as provided herein.

7.14 No Partnership. This Interconnection Feasibility Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

7.15 Assignment. This Interconnection Feasibility Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection Feasibility Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Feasibility Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection Feasibility Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Interconnection Feasibility Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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 Distribution Provider or Distribution Owner, if applicable]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 2

Interconnection Feasibility

Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE INTERCONNECTION FEASIBILITY STUDY

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on

Designation of Point of Interconnection and configuration to be studied.

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

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

Appendix 3 to LGIP

INTERCONNECTION 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 _____, ("Interconnection Customer,") and _____ a _____ existing under the laws of the State of _____, ("Distribution Provider"). Interconnection Customer and Distribution 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 Distribution System; and

WHEREAS, Distribution Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer (This recital to be omitted if Distribution Provider does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Distribution Provider to perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility to the Distribution System, and of any Affected Systems (This recital to be omitted if Distribution Provider does not require the Interconnection Feasibility Study);

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 Distribution Provider's FERC-approved LGIP.

2.0 Interconnection Customer elects and Distribution Provider shall cause to be performed an Interconnection System Impact Study consistent with Section 7.0 of this LGIP in accordance with the Tariff.

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

4.0 The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. Distribution Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Customer System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

5.0 The Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

- identification of any thermal overload or voltage limit violations resulting from the interconnection;

- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and

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

6.0 Interconnection Customer shall provide a deposit of $50,000 for the performance of the Interconnection System Impact Study. Distribution Provider's good faith estimate for the time of completion of the Interconnection System Impact Study is [insert date].

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

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

7.0 Miscellaneous.

7.1 Dispute Resolution.

7.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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 the LGIP.

7.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 7.4, the terms of this Section 7.4 shall prevail.

7.1.3 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 this Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

7.1.4 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.

7.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.

7.3 Binding Effect. This Interconnection System Impact Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

7.5 Rules of Interpretation. This Interconnection System Impact Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection System Impact Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection System Impact Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or

Appendix means such Article or Section of this Interconnection System Impact Study Agreement or such Appendix to this Interconnection System Impact Study Agreement, 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 Interconnection System Impact Study Agreement as a whole and not to any particular Article, Section, 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".

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

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

7.8 Waiver. The failure of a Party to this Interconnection System Impact Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection System Impact Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Interconnection System Impact Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other

failure to comply with any other obligation, right, or duty of this Interconnection System Impact Study Agreement. Termination or default of this Interconnection System Impact Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Interconnection System Impact Study Agreement shall, if requested, be provided in writing.

7.9 Headings. The descriptive headings of the various Articles and Sections of this Interconnection System Impact Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection System Impact Study Agreement.

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

7.11 Amendment. The Parties may by mutual agreement amend this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties.

7.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection System Impact Study Agreement upon satisfaction of all applicable laws and regulations.

7.13 Reservation of Rights. The Distribution Provider shall each have the right to make a unilateral filing with FERC to modify this Interconnection System Impact Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC’s rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection System Impact Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC’s rules and regulations

thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection System Impact Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

7.14 No Partnership. This Interconnection System Impact Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

7.15 Assignment. This Interconnection System Impact Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection System Impact Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection System Impact Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection System Impact Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Interconnection System Impact Study Agreement shall not relieve a Party of its

obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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

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

By:_____

Title:_____

Date:_____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A To Appendix 3
Interconnection System Impact
Study Agreement

ASSUMPTIONS USED IN CONDUCTING
THE INTERCONNECTION SYSTEM IMPACT STUDY

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

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

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

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 _____, a _____ existing under the laws of the State of, ("Distribution Provider"). Interconnection Customer and Distribution 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 Distribution System;

WHEREAS, Distribution Provider has completed an Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Distribution 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 Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility to the Distribution 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 Distribution Provider's FERC-approved LGIP.

2.0 Interconnection Customer elects and Distribution Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this LGIP to be performed in accordance with the Tariff.

3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.

4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost (consistent with Attachment A), schedule for required facilities to interconnect the Large Generating Facility to the Distribution System and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Impact Study.

5.0 Interconnection Customer shall provide a deposit of $100,000 for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A. Distribution 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. Distribution Provider shall continue to hold the amounts on deposit until settlement of the final invoice.

6.0 Miscellaneous.

6.1 Dispute Resolution.

6.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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 the LGIP.

6.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 6.4, the terms of this Section 6.4 shall prevail.

6.1.3 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 this Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

6.1.4 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.

6.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.

6.3 Binding Effect. This Interconnection Facilities Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

6.5 Rules of Interpretation. This Interconnection Facilities Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection Facilities Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection Facilities Study Agreement), document, instrument or tariff means such agreement, document,

instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection Facilities Study Agreement or such Appendix to this Interconnection Facilities Study Agreement, 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 Interconnection Facilities Study Agreement as a whole and not to any particular Article, Section, 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".

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

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

6.8 Waiver. The failure of a Party to this Interconnection Facilities Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Facilities Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Interconnection Facilities Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Interconnection Facilities Study Agreement. Termination or default of this Interconnection Facilities Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Interconnection Facilities Study Agreement shall, if requested, be provided in writing.

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

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

6.11 Amendment. The Parties may by mutual agreement amend this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties.

6.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection System Impact Study Agreement upon satisfaction of all applicable laws and regulations.

6.13 Reservation of Rights. The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Interconnection Facilities Study Agreement with respect

to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection Facilities Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection Facilities Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

6.14 No Partnership. This Interconnection Facilities Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

6.15 Assignment. This Interconnection Facilities Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection Facilities Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Facilities Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection Facilities Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the

Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Interconnection Facilities Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in hole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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 Distribution Provider or Distribution Owner, if applicable]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A To Appendix 4

Interconnection Facilities

Study Agreement

INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

Distribution 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 Distribution Provider station. Number of generation connections: _____

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

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

Will an alternate source of auxiliary power be available during CT/PT maintenance?

_____Yes_____No

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation?

_____Yes_____No (Please indicate on one line diagram).

What type of control system or PLC will be located at Interconnection Customer's 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:

Bus length from generation to interconnection station:

Line length from interconnection station to Distribution 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 Distribution Provider.

Is the Large Generating Facility in the Distribution 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:_____

Appendix 5 to LGIP

OPTIONAL 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 _____, ("Distribution Provider"). Interconnection Customer and Distribution 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_____;

WHEREAS, Interconnection Customer is proposing to establish an interconnection with the Distribution System; and

WHEREAS, Interconnection Customer has submitted to Distribution Provider an Interconnection Request; and

WHEREAS, on or after the date when Interconnection Customer receives the Interconnection System Impact Study results, Interconnection Customer has further requested that Distribution Provider prepare an Optional Interconnection Study;

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 Distribution Provider's FERC-approved LGIP.

2.0 Interconnection Customer elects and Distribution Provider shall cause an Optional Interconnection Study consistent with Section 10.0 of this LGIP to be performed in accordance with the Tariff.

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

4.0 The Optional Interconnection Study shall be performed solely for informational purposes.

5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify Distribution Provider's Interconnection Facilities, Distribution Upgrades, and the Network Upgrades, and the estimated cost thereof that may be required to provide transmission service or interconnection service based upon the assumptions specified by Interconnection Customer in Attachment A.

6.0 Interconnection Customer shall provide a deposit of $10,000 for the performance of the Optional Interconnection Study. Distribution Provider's good faith estimate for the time of completion of the Optional Interconnection Study is _____ [insert date]. Upon receipt of the Optional Interconnection Study, Distribution Provider shall charge and Interconnection Customer shall pay the actual costs of the Optional 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.

7.1 Dispute Resolution.

7.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis

as promptly as practicable after receipt of the Notice of Dispute by the 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 the LGIP.

7.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement 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 o 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 7.4, the terms of this Section 7.4 shall prevail.

7.1.3 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 this

Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

7.1.4 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.

7.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.

7.3 Binding Effect. This Optional Interconnection Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

7.5 Rules of Interpretation. This Optional Interconnection Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person’s successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Optional Interconnection Study Agreement, and

reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Optional Interconnection Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Optional Interconnection Study Agreement or such Appendix to this Optional Interconnection Study Agreement, 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 Optional Interconnection Study Agreement as a whole and not to any particular Article, Section, 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".

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

7.7 No Third Party Beneficiaries. This Optional Interconnection Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and

the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

7.8 Waiver. The failure of a Party to this Optional Interconnection Study Agreement to insist, on any occasion, upon strict performance of any provision of this Optional Interconnection Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Optional Interconnection Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Optional Interconnection Study Agreement. Termination or default of this Optional Interconnection Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Optional Interconnection Study Agreement shall, if requested, be provided in writing.

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

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

7.11 Amendment. The Parties may by mutual agreement amend this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties.

7.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection System Impact Study Agreement upon satisfaction of all applicable laws and regulations.

7.13 Reservation of Rights. The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Optional Interconnection Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Optional Interconnection Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Optional Interconnection Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

7.14 No Partnership. This Optional Interconnection Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

7.15 Assignment. This Optional Interconnection Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Optional Interconnection Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Optional Interconnection Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Optional Interconnection Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the

Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Optional Interconnection Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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 Distribution Provider or Distribution Owner, if applicable]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 5

Optional Interconnection

Study Agreement

ASSUMPTIONS USED IN CONDUCTING

THE OPTIONAL INTERCONNECTION STUDY

[To be completed by Interconnection Customer consistent with Section 10 of the LGIP.]

Appendix 6 to LGIP

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Appendix 7 to LGIP

Interconnection Procedures for a Wind Generation Plant

Appendix 7 sets forth procedures specific to a wind generating plant. All other requirements of this LGIP continue to apply to wind generating plant interconnections.

A. Special Procedures Applicable to Wind Generators

The wind plant Interconnection Customer, in completing the Interconnection Request required by Section 3.3 of this LGIP, may provide to the Distribution Provider a set of preliminary electrical design specifications depicting the wind plant as a single equivalent generator. Upon satisfying these and other applicable Interconnection Request conditions, the wind plant may enter the queue and receive the base case data as provided for in this LGIP.

No later than six months after submitting an Interconnection Request completed in this manner, the wind plant Interconnection Customer must submit completed detailed electrical design specifications and other data (including collector system layout data) needed to allow the Distribution Provider to complete the System Impact Study.

ATTACHMENT H:
Large Generator Interconnection Agreement (LGIA)

STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD 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 Pacific Gas & Electric Company, a corporation organized and existing under the laws of the State of California ("Distribution Provider" and/or "Distribution Owner"). Interconnection Customer and Distribution Provider each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Distribution Provider operates the Distribution 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 Distribution Provider have agreed to enter into this Agreement for the purpose of interconnecting the Large Generating Facility with the Distribution System;

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

When used in this Standard 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 Tariff.

Article 1. Definitions

Adverse System Impacts shall mean any potential or actual 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 Distribution Provider's Distribution 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 Distribution Provider's Distribution 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 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.

Area Deliverability Constraint shall mean a transmission system operating limit, that would constrain the deliverability of a substantial number of generators if the CAISO were to

assign full capacity or partial capacity deliverability status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Controlled Grid in a total amount that is greater than the TP Deliverability for those areas. May also be a transmission system operating limit that constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process (TPP) portfolio for the entire portfolio area. May also be a transmission system operating limit that constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrade shall mean a transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint.

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 Standard Large Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

Business Day shall mean Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.

CAISO – California Independent System Operator Corporation. See also ISO.

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

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

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 shall mean the date on which an Electric Generating Unit at a Generating Facility has received final written Permission to Operate from the Distribution Provider for operation of the generation facilities in parallel with the utility.

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 the Applicable Reliability Council.

CPUC shall mean the California Public Utilities Commission.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

Deliverability shall mean (1) The annual Net Qualifying Capacity of a Generating Facility, as verified through a Deliverability assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide. (2) The annual Maximum Import Capability of an intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-serving Entities collectively can procure from imports at that intertie to meet their resource adequacy requirements.

Deliverability Assessment(s) shall mean an evaluation of the On-Peak Deliverability Assessment set forth in GIP Section 5.8.3, and the Off-Peak Deliverability Assessment set forth in GIP Section 5.8.3 to determine if a Generating Facility or a group of Generating Facilities could provide Energy to the CAISO Controlled Grid and be delivered to the aggregate of Load on the CAISO Controlled Grid at Peak Load, under a variety of severely stressed conditions.

Deliverability Status shall mean an attribute of a Generating Facility that is requested by an Interconnection Customer for the Generating Facility, assigned by the CAISO to the Generating Facility through the GIP, GIDAP or other process specified in the CAISO tariff, and that affects the maximum Net Qualifying Capacity to which the Generating Facility could be entitled.

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. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

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 shall mean an 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 Standard Large Generator Interconnection Agreement to the extent necessary.

Distribution Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term 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 Appendix A to the Standard Large Generator Interconnection Agreement, 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 shall mean 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 shall mean 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 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 Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

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.

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 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 Standard Large Generator Interconnection Agreement 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).

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.

Full Capacity Deliverability Status (FCDS) 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.

Generating Facility shall mean Interconnection Customer's Electric Generating Unit(s) used 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 and Deliverability Allocation Procedures (GIDAP) shall mean the ISO's Generator Interconnection and Deliverability Allocation Procedures (ISO Tariff GIDAP)

Generator Interconnection Procedures (GIP) shall mean either the definition for either ISO's Tariff Generator Interconnection Procedures (ISO Tariff GIP), or Wholesale Distribution Tariff Generator Interconnection Procedures (WDT 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.

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

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

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

Interconnection Customer shall mean any entity, including the Distribution Provider, 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 Appendix A of the Standard 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 Distribution Provider's Distribution System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean 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, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Financial Security shall mean the financial instrument(s) submitted by the Interconnection Customer to the Distribution Provider prior to the start of any Construction Activities as a security for the Distribution Provider against the estimated costs of the Construction Activities described in the Generator Interconnection Agreement. The Interconnection Customer may post the Interconnection Financial Security using any of the financial instruments listed in the WDT GIP.

Interconnection Handbook shall mean 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. Distribution Provider's standards contained in the Interconnection Handbook shall be deemed consistent with Good Utility Practice and Applicable Reliability Standards. In the event of a conflict between the terms of this LGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this LGIA shall govern.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard 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 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 Standard Large Generator Interconnection Agreement and, if applicable, the Distribution Provider's Tariff.

IRS shall mean the Internal Revenue Service.

ISO or CAISO 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 and Deliverability Allocation Procedures (ISO Tariff GIDAP) shall mean the procedures included in 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. See also GIDAP.

ISO's Generator Interconnection Procedures (ISO Tariff GIP) shall mean the procedures included in 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. See also GIP.

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

Letter Agreement shall mean an agreement that authorizes the Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Local Deliverability Constraint shall mean a transmission system operating limit modeled in the GIDAP study process that would be exceeded if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade (LDNU) shall mean a transmission upgrade or addition identified by the CAISO in the GIDAP Interconnection Study Process to relieve a Local Deliverability Constraint.

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 Standard 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 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 Standard 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 Council or its successor organization.

Network Upgrades shall mean 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. See also: **Area Delivery Network Upgrades; Delivery Network Upgrades; Local Delivery Network Upgrades; and Reliability Network Upgrades**.

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

Operating Requirements shall mean any operating and technical requirements that may be applicable due to Regional Transmission Organization, California Independent System Operator, control area, or the Distribution Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

Operational Control shall mean the rights of the ISO under the Transmission Control Agreement and the ISO Tariff to direct the parties to the Transmission Control Agreement how to operate their transmission lines and facilities and other electric plant affecting the reliability of those lines and facilities for the purpose of affording comparable non-discriminatory transmission access and meeting applicable reliability criteria.

Participating Transmission Owner shall mean an entity which (i) owns, operates, and maintains transmission lines and associated facilities and/or has entitlements to use certain

transmission lines and associated facilities; and (ii) has transferred to the ISO operational control of such facilities and/or entitlements to be made part of the ISO Grid.

Party or Parties shall mean Distribution Provider, Distribution 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 Standard Large Generator Interconnection Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Distribution Provider's Interconnection Facilities.

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

Pre-Construction Activities shall mean the actions by the Distribution Provider, other than those required by an Letter Agreement under Section 7 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.

Qualifying Capacity shall mean the maximum Resource Adequacy Capacity that a Resource Adequacy Resource may be eligible to provide. The criteria and methodology for calculating the Qualifying Capacity of resources may be established by the CPUC or other applicable Local Regulatory Authority and provided to the CAISO. A resource's eligibility to provide Resource Adequacy Capacity may be reduced below its Qualifying Capacity through the CAISO's assessment of Net Qualifying Capacity.

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 of

receipt of the valid Interconnection Request by the Distribution Provider and that is represented by a unique identifying code assigned to each Interconnection Request that is deemed complete.

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

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 a Large Generating Facility safely and reliably to the ISO Grid, which would not have been necessary but for the interconnection of the Large Generating Facility, including Network Upgrades necessary to remedy short circuit or stability problems resulting from the interconnection of the Large Generating Facility to the Distribution Provider's Distribution System. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Large Generating Facility's interconnection may have on a transmission path's WECC rating.

Resource Adequacy (RA) shall mean a mandatory planning and procurement process to ensure adequate resources to serve all customers in real time. The program requires that Load Serving Entities (LSEs) meet a Planning Reserve Margin for their obligations. The program provides deliverability criteria that each LSE must meet, as well as system and local capacity requirements. Rules are provided for "counting" resources towards meeting resource adequacy obligations. The resources that are counted for RA purposes must make themselves available to the California ISO for the capacity for which they were counted. The ISO's Interim Reliability Requirements Program and the resource adequacy under MRTU tariff provisions are intended to complement the State of California's efforts to implement resource adequacy programs.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer and Distribution Provider conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier

study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

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

Site Exclusivity is the third option to prove Site Control and applies only in instances when the Interconnection Customer has a business (private) or government agency (public) relationship with the project site's deed holder.

(1) For private land, Site Exclusivity shall mean documentation reasonably demonstrating legal authorization from the land owner showing the Interconnection Customer has either (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, Site Exclusivity shall mean documentation from the governing public agency providing a final, non-appealable permit, license, or other exclusive legal right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility. Such documentation showing exclusive right to use public land under the management of a Local, State, or Federal agency shall be in a form specified by that agency.

Small Generating Facility shall mean an 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, that has a generating capacity of 20 megawatts (MW) or less.

Smart Inverter shall mean a Generating Facility's inverter that performs functions that when activated can autonomously contribute to grid support during excursions from normal operating voltage and frequency system conditions by providing dynamic reactive/real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands and other functions.

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 Appendix A to the Standard Large Generator Interconnection Agreement.

Standard 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 Distribution Provider's Tariff.

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

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

Transmission Control Agreement shall mean ISO FERC Electric Tariff No. 7.

Transmission System shall mean those transmission 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. Also known as Permission to Parallel for Test Purposes.

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 shall mean 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.

Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP) shall mean the procedures included in the Distribution Provider's Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider's Distribution System, as such procedures may be modified from time to time, and accepted by the Commission.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This LGIA shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC. Distribution Provider shall promptly file this LGIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. Subject to the provisions of Article 2.3, this LGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

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

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 applicable to such termination, including the filing with FERC of a notice of termination of this LGIA, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, 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, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of Distribution Provider's Interconnection Facilities that have not yet been constructed or installed, Distribution 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 Distribution Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Distribution Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Distribution Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Distribution Provider to cancel any pending orders of or return 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 Distribution Upgrades and Network Upgrades for which Distribution Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2 Distribution 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 Distribution 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 Distribution 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. Distribution 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 Distribution Provider with respect to such filing and to provide any information reasonably requested by Distribution Provider needed to comply with applicable regulatory requirements.

Article 4. Scope of Service

4.1 Interconnection Service. Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Distribution System and be eligible to deliver the Large Generating Facility's output using the capacity of the Distribution System to the ISO Grid. To the extent Interconnection Customer wants to receive Interconnection Service, Distribution Provider shall construct facilities identified in Appendices A and C that the Distribution Provider is responsible to construct.

4.1.1 Distribution Service Implications. Interconnection Customer will be eligible to inject power from the Large Generating Facility into Distribution Provider's Distribution System pursuant to the Tariff. The Interconnection Customer may

not deliver power over the Distribution Provider's Distribution System absent procuring Distribution Service. The Interconnection Customer must apply for Distribution Service pursuant to Section 15.2 of the Tariff and meet the conditions specified in Section 14 of the Tariff to be eligible for Distribution Service.

4.1.2 Transmission Service Implications. 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 the ISO Grid without incurring congestion costs. In the event of transmission constraints on the ISO Grid, Interconnection Customer's Large Generating Facility shall be subject to the applicable congestion management procedures in the ISO Tariff in the same manner as all other resources. The Interconnection Customer shall be solely responsible for completing all of the necessary arrangements required under the ISO Tariff to be eligible to schedule the output of its resource.

4.2 Provision of Service. Distribution 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 Distribution Provider or Distribution Owner, then that Party shall amend the LGIA and submit the amendment to FERC for approval.

4.4 No Distribution Service or Transmission Service. The execution of this LGIA does not constitute a request for, nor the provision of, Distribution Service under the Tariff or any transmission service under the ISO Tariff.

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.

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 Standard Option or Alternate Option set forth below for completion of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades as set forth in Appendix A, Interconnection Facilities, Distribution Upgrades, and Network Upgrades, and such dates and selected option shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Distribution Provider shall design, procure, and construct Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades, using Reasonable Efforts to complete Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades by the dates set forth in Appendix B, Milestones. Distribution 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 Distribution Provider reasonably expects that it will not be able to complete Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades by the specified dates, Distribution Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option. If the dates designated by Interconnection Customer are acceptable to Distribution Provider, Distribution Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities and Distribution Upgrades by the designated dates. If Distribution Provider subsequently fails to complete Distribution Provider's Interconnection Facilities and Distribution Upgrades by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete

Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; Distribution Provider shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the ISO refuses to grant clearances to install equipment.

5.1.3 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Distribution Provider, Distribution Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2. Distribution 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 Interconnection Customer elects not to exercise its option under Article 5.1.3, Option to Build, Interconnection Customer shall so notify Distribution Provider within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Distribution Provider is responsible for the design, procurement and construction of Distribution Provider's Interconnection

Facilities, Distribution Upgrades, and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Distribution Provider shall assume responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades pursuant to 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades, (1) Interconnection Customer shall engineer, procure equipment, and construct Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by Distribution Provider;(2) Interconnection Customer's engineering, procurement and construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Distribution Provider would be subject in the engineering, procurement or construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades;(3) Distribution Provider shall review and approve the engineering design, equipment acceptance tests, and the construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades;(4) prior to commencement of construction, Interconnection Customer shall provide to Distribution Provider a schedule for construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Distribution Provider;(5) at any time during construction, Distribution Provider shall have the right to gain unrestricted access to Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;(6) at any time during construction, should any phase of the engineering, equipment procurement, or construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Distribution Provider, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Distribution Provider's Interconnection Facilities and Stand

Alone Network Upgrades; (7) Interconnection Customer shall indemnify Distribution Provider for claims arising from Interconnection Customer's construction of Distribution 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 Distribution Provider's Interconnection Facilities to the Distribution Provider and shall transfer Operational Control of Stand Alone Network Upgrades to the ISO; (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Distribution Provider's Interconnection Facilities and Stand-Alone Network Upgrades to Distribution Provider; (10) Distribution Provider shall approve and accept for operation and maintenance Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and (11) Interconnection Customer shall deliver to Distribution Provider "as-built" drawings, information, and any other documents that are reasonably required by Distribution Provider to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Distribution Provider.

5.3 Liquidated Damages. The actual damages to Interconnection Customer, in the event Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Distribution Provider pursuant to subparagraphs 5.1.2 or 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 Distribution Provider to Interconnection Customer in the event that Distribution Provider does not complete any portion of Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades, in the aggregate, for which Distribution 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades for which Distribution Provider has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Distribution 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 Distribution 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution Provider's delay; (2) Distribution 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 Distribution Provider, action or inaction by the ISO, or any cause beyond Distribution Provider's reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of Distribution 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 and in accordance with the provisions

of Section 5.4.1 of the ISO Tariff. Distribution 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 Distribution Provider and Distribution Provider's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators of the induction type.

5.5 Equipment Procurement. If responsibility for construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades is to be borne by Distribution Provider, then Distribution Provider shall commence design of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

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

5.6 Construction Commencement. Distribution Provider shall commence construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades;

5.6.3 Distribution 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 Distribution 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 Distribution Provider's Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Distribution Provider of such later date upon which the completion of Distribution 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 Distribution Provider's Distribution System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Limited Operation. If any of Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Large Generating Facility, Distribution 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 Distribution Provider's Interconnection Facilities,

Distribution Upgrades, or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this LGIA. Distribution 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.

5.10 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 Distribution 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. Distribution Provider shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Distribution 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 Distribution Provider's Review. Distribution 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 Distribution Provider, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Distribution 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 Distribution 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 Distribution Provider specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Interconnection Customer to Meet Requirements of the Distribution Provider's Interconnection Handbook. The Interconnection Customer shall comply with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of this LGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this LGIA shall govern.

5.11 Distribution Provider's Interconnection Facilities Construction. Distribution 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, Distribution Provider shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Distribution Provider's Interconnection Facilities [include appropriate drawings and relay diagrams].

Distribution Provider will obtain control for operating and maintenance purposes of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades

upon completion of such facilities. Pursuant to Article 5.2, the ISO will obtain Operational Control of the Stand Alone Network Upgrades prior to the Commercial Operation Date.

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 Distribution System; (ii) operate and maintain the Large Generating Facility, the Interconnection Facilities and the Distribution 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 Distribution Provider or Distribution Owner's Interconnection Facilities, Distribution Upgrades, and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Distribution Provider or Distribution Owner, Distribution Provider or Distribution 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 Distribution Provider or Distribution Owner's Interconnection Facilities, Distribution Upgrades, and/or Network Upgrades upon such property.

5.14 Permits. Distribution Provider or Distribution 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, Distribution Provider or Distribution Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Distribution Provider's own, or an Affiliate's generation.

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

5.16 Suspension. Interconnection Customer reserves the right, upon written notice to Distribution Provider, to suspend at any time all work by Distribution Provider associated with the construction and installation of Distribution Provider’s Interconnection Facilities, Distribution Upgrades, and/or Network Upgrades required under this LGIA with the condition that Distribution System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Distribution Provider’s safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Distribution 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 Distribution System and 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 Distribution Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any

such material, equipment or labor contract, Distribution Provider shall obtain Interconnection Customer's authorization to do so.

Distribution Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Distribution Provider required under this LGIA pursuant to this Article 5.16, and has not requested Distribution 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 Distribution Provider, if no effective date is specified.

5.17 Taxes.

5.17.1 Interconnection Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Interconnection Customer to Distribution Provider for the installation of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution System; (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to Distribution Provider for Distribution 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 Distribution 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 Distribution Provider's request, Interconnection Customer shall provide Distribution Provider with a report from an independent engineer confirming its representation in clause (iii), above. Distribution Provider represents and covenants that the cost of Distribution 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 Distribution Provider. Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Distribution Provider from the cost consequences of any current tax liability imposed against Distribution Provider as the result of payments or property transfers made by Interconnection Customer to Distribution Provider under this LGIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Distribution Provider.

Distribution 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) Distribution Provider has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Distribution Provider should be reported as income subject to taxation; or (ii) any Governmental Authority directs Distribution Provider to report payments or property as income subject to taxation; provided, however, that Distribution Provider may require Interconnection Customer to provide security for

Interconnection Facilities, in a form reasonably acceptable to Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution Provider, in addition to the amount paid for the Interconnection Facilities, Distribution Upgrades, and Network Upgrades, an amount equal to (1) the current taxes imposed on Distribution Provider ("Current Taxes") on the excess of (a) the gross income realized by Distribution Provider as a result of payments or property transfers made by Interconnection Customer to Distribution 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 Distribution 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 Distribution Provider's composite federal and state tax rates at the time the payments or property transfers are received and Distribution 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 Distribution Provider's anticipated tax depreciation deductions as a result of such payments or property transfers by Distribution Provider's current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Distribution Owner pursuant to this Article 5.17.4 can be expressed as follows: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1-Current Tax Rate). Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Interconnection Customer's request and expense, Distribution 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 Distribution 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. Distribution Provider and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Distribution 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. Distribution 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 Distribution 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, Distribution Upgrades, and Network Upgrades, Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Distribution 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 Distribution Provider's receipt of payments or property constitutes income that is subject to taxation, Distribution 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, Distribution Provider may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Distribution 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. Distribution 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 Distribution 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 Distribution Provider on a periodic basis, as invoiced by Distribution Provider, Distribution Provider's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Distribution Provider may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Distribution 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 Distribution 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 Distribution Provider which holds that any amount paid or the value of any property transferred by Interconnection Customer to Distribution 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 Distribution Provider in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Distribution Provider under the terms of this LGIA is not taxable to Distribution Provider; (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Distribution Provider are not subject to federal income tax; or (d) if Distribution 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 Distribution Provider pursuant to this LGIA, Distribution 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, together with interest thereon;

(ii) interest on any amounts paid by Interconnection Customer to Distribution Provider for such taxes which Distribution 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 Distribution Provider refunds such payment to Interconnection Customer; and

(iii) with respect to any such taxes paid by Distribution Provider, any refund or credit Distribution 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 Distribution Provider for such overpayment of taxes (including any reduction in interest otherwise payable by Distribution Provider to any Governmental Authority resulting from an offset or credit); provided, however, that Distribution Provider will remit such amount promptly to Interconnection Customer only after and to the extent that Distribution Provider has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Distribution 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, Distribution Upgrades, 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, Distribution Provider may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Distribution Provider for which Interconnection Customer may be required to reimburse Distribution Provider under the terms of this LGIA. Interconnection Customer shall pay to Distribution Provider on a periodic basis, as invoiced by Distribution Provider, Distribution Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Distribution 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 Distribution 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 Distribution Provider.

5.17.10 Distribution Owners Who Are Not Distribution Providers. If Distribution Provider is not the same entity as the Distribution Owner, then (i) all references in this Article 5.17 to Distribution Provider shall be deemed also to refer to and to include the Distribution Owner, as appropriate; and (ii) this LGIA shall not become effective until such Distribution Owner shall have agreed in writing to assume all of the duties and obligations of Distribution 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 Distribution Provider's

tax exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

5.19 Modification.

5.19.1 General. 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, Distribution 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 Distribution System, Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution

Provider makes to Distribution Provider's Interconnection Facilities or the Distribution System to facilitate the interconnection of a third party to Distribution Provider's Interconnection Facilities or the Distribution System, or to provide transmission service to a third party under Distribution 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, Distribution Provider shall test Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 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 Distribution 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. The Interconnection Customer shall comply with the provisions of the ISO Tariff regarding metering, including Section 10 and the Metering Protocol of the ISO Tariff. Unless otherwise agreed by the Parties, Distribution Provider may install additional 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 Distribution Provider's option, compensated to, the Point of Interconnection. Interconnection Customer's access to meter data shall be provided in accordance with the ISO Tariff. 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 the ISO-polled meters or Distribution 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 in the case that no other means are available on a temporary basis at the option of the Distribution Provider. The check meters shall be subject at all reasonable times to inspection and examination by Distribution 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 Distribution Provider Retail Metering. Distribution Provider may install retail revenue quality meters and associated equipment, pursuant to the Distribution Provider's applicable retail tariffs.

Article 8. Communications

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain satisfactory operating communications with Distribution Provider's Distribution System dispatcher or representative designated by Distribution 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 Distribution 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 Distribution 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 Distribution Provider at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Distribution 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 Distribution Provider. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Distribution Provider.

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

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

Article 9. Operations

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other 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 Distribution 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 Distribution Provider Obligations. Distribution Provider shall cause the Distribution System and Distribution Provider's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this LGIA. Distribution Provider may provide operating instructions to Interconnection Customer consistent with this LGIA and Distribution Provider’s operating protocols and procedures as they may change from time to time. Distribution 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 Distribution Provider's Distribution 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 Distribution 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 Distribution 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 Distribution System, Distribution 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). Distribution Provider's voltage schedules shall treat all sources of reactive power interconnected with the Distribution System in an equitable and not unduly discriminatory manner and consistent with the applicable requirements of the ISO Tariff. Distribution 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 Distribution System and 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 Distribution Provider and the ISO.

9.6.2.1 Voltage Regulators. Whenever the Large Generating Facility is operated in parallel with the Distribution System and 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 Distribution Provider and the ISO, and ensure that the Electric Generating Unit operates as specified in Article 9.6.2 through manual operation and 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 Distribution 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. Payment to Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Large Generating Facility when the ISO requests Interconnection Customer to operate its Large Generating Facility outside the range specified in Article 9.6.1 will be made by the ISO in accordance with the applicable provisions of the ISO Tariff.

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 underfrequency 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. Interconnection Customer shall submit its planned maintenance schedules for the Large Generating Facility to Distribution Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its planned maintenance schedules as necessary. Distribution Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Distribution System and Transmission System. Distribution Provider shall compensate Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Distribution 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. Distribution Provider shall have no obligation to pay Interconnection Customer any costs the Interconnection Customer incurs as the result of being directed by the ISO to reschedule maintenance.

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, Distribution Provider may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Distribution Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Distribution System and 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 Distribution System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Distribution 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, Distribution Provider shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Distribution 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 Distribution 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 Distribution System and Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Voltage and Frequency Ride-Through Conditions. The Interconnection Customer shall ensure "frequency ride through" capability and "voltage ride through" capability of its Large Generating Facility in accordance with the standards and requirements described in the PG&E Transmission Interconnection Handbook (TIH) and the Distribution Interconnection Handbook (DIH). The Interconnection Customer shall enable these capabilities such that its Large Generating Facility shall not disconnect automatically or instantaneously from the system or equipment of the Distribution Provider and any Affected Systems for a defined under-frequency or over-frequency condition, or an under-voltage or over-voltage condition, as tested pursuant to Article 2.1 of this Agreement. The defined conditions shall be in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The Large Generating Facility's protective equipment settings shall comply with the Distribution Provider's automatic load-shed program. The Distribution Provider shall review the protective equipment settings to confirm compliance with the automatic load-shed program. The term "ride through" as used herein shall mean the ability of a Large Generating Facility to stay connected to and synchronized with the system or equipment of the Distribution Provider and any Affected Systems during system disturbances within a range of conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority on a

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

9.7.4 System Protection and Other Control Requirements.

9.7.4.1 System Protection Facilities. 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. Distribution Provider shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Distribution Provider's Interconnection Facilities, Distribution System, 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 and, if applicable, the requirements of the Distribution Provider's Interconnection Handbook.

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, the standards and procedures of the Distribution Provider, including, if applicable, the requirements of the Distribution Provider's Interconnection Handbook, 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 and, if applicable, the requirements of the Distribution Provider's Interconnection Handbook, 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 Distribution System not otherwise isolated by Distribution Provider's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

9.10 Disturbance Analysis Data Exchange. The Parties will cooperate with one another in the analysis of disturbances to either the Large Generating Facility or Distribution Provider’s Distribution System and 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 Distribution Provider Obligations. Distribution Provider shall maintain the Distribution System, Transmission System and Distribution 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 Distribution 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 Distribution Provider's Interconnection Facilities. Distribution Provider or Distribution Owner shall design, procure, construct, install, own and/or control the Distribution 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. Distribution Provider or Distribution 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 for all costs related to Distribution Upgrades. Unless Distribution Provider or Distribution Owner elects to fund the capital for the Distribution Upgrades and Network Upgrades, they shall be solely funded by Interconnection Customer.

11.4 Transmission Credits.

11.4.1 Repayment of Amounts Advanced for Network Upgrades.

To the extent the CAISO Tariff, Section 12.3.2 of Appendix Y and Section 14.3.2 of Appendix DD, and successor tariffs, provides for cash repayment or Congestion Revenue Rights to the Interconnection Customer for contribution to the cost of Network Upgrades, the Interconnection Customer shall be entitled to a cash repayment or Congestion Revenue Rights, equal to the total amount paid to Distribution Provider and Affected System Operator, if any, for the Network Upgrades, including any tax gross-up or other tax-related payments associated

with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8 or otherwise.

Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interconnection Customer may assign such repayment rights to any person.

Notwithstanding the foregoing, Interconnection Customer, Distribution Provider, and Affected System Operator may adopt any alternative payment schedule that is mutually agreeable so long as Distribution Provider and Affected System Operator take one of the following actions no later than five years from the Commercial Operation Date: (1) return to Interconnection Customer any amounts advanced for Network Upgrades not previously repaid; or (2) declare in writing that Distribution Provider or Affected System Operator will continue to provide payments to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the Commercial Operation Date.

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, Distribution Provider and Affected System Operator shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the Generating Facility, if different, is responsible for identifying the entity to which reimbursement must be made.

11.4.2 Special Provisions for Affected Systems. Unless Distribution Provider provides, under the LGIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.4.3 Notwithstanding any other provision of this LGIA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that Interconnection Customer, shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Large Generating Facility.

11.5 Provision of Security. The Interconnection Customer shall provide the Distribution Provider an Interconnection Financial Security by the earliest date of either (i) no later than the financial security posting milestone date negotiated in Appendix B of this Agreement, (ii) no later than 180 Calendar Days after the effective date of this agreement, or (iii) at least twenty (20) Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the Distribution Provider's Interconnection Facilities and Upgrades. The Interconnection Customer shall provide Distribution Provider, at Interconnection Customer's option, a guarantee, letter of credit, escrow agreement, or other form of security that is reasonably acceptable to Distribution 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 Distribution Provider's Interconnection Facilities, Network Upgrades, or

Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Distribution Provider for these purposes.

In addition:

11.5.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Distribution 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 or escrow agreement must be issued by a financial institution reasonably acceptable to Distribution Provider and must specify a reasonable expiration date.

11.6 Responsibility for any Outstanding Interconnection Study Costs. The Interconnection Customer must complete payment on all outstanding invoiced interconnection study costs no later than the financial security posting milestone date negotiated in Appendix B of this Agreement. Study costs not yet invoiced within thirty (30) Calendar Days of that financial security posting deadline must be paid by the Interconnection Customer within thirty (30) Calendar Days of the date of the invoice once they are invoiced to the Interconnection Customer.

Failure to complete payment on these interconnection study invoices by these deadlines will constitute Default on this Agreement by the Interconnection Customer, subject to the terms of Article 17 “Default”.

Article 12. Invoice

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices for actual costs accrued during the preceding month(s). Each invoice shall state the month(s) 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 or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice. Within twelve months after completion of the construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and the Network Upgrades in the Appendices to this Agreement, the Distribution Provider shall provide the Interconnection Customer with a final accounting report of any difference between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or Upgrades, and (2) the Interconnection Customer's previous aggregate payments to the Distribution Provider for such facilities or Upgrades.

If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Distribution Provider shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Distribution Provider within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, the Distribution Provider shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

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 Distribution Provider and Interconnection Customer, Distribution 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 Distribution Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two

requirements for continuation of service, then Distribution 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 accord with the methodology set forth in FERC's regulations at 18 CFR § 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 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 the Distribution System, Distribution Provider's Interconnection Facilities or the Transmission Systems of others to which the Distribution 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 ISO, NERC, the Applicable Reliability Council, Applicable Laws and Regulations, and any emergency procedures set forth in this LGIA.

13.3 Notice. Distribution Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Distribution Provider's Interconnection Facilities, Distribution System 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 Distribution 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 Distribution System, Transmission System or Distribution 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 Distribution 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 Distribution 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 Distribution Provider or otherwise regarding the Distribution System.

13.5 Distribution Provider Authority.

13.5.1 General. Distribution Provider may take whatever actions or inactions with regard to the Distribution System and Transmission System or Distribution 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 Distribution System and Transmission System or Distribution Provider's Interconnection Facilities; (iii) limit or prevent damage; and (iv) expedite restoration of service.

Distribution 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. Distribution 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 Distribution 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. Distribution 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 the ISO pursuant to the ISO Tariff. When Distribution Provider can schedule the reduction or disconnection in advance, Distribution Provider shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Distribution 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 Distribution 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 Distribution 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 Distribution System and Distribution Provider's Interconnection Facilities. Distribution Provider shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. 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 the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

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. Uncontrollable Force

16.1 Uncontrollable Force.

16.1.1 Economic hardship is not considered a Uncontrollable Force event.

16.1.2 Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Uncontrollable Force. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of an Uncontrollable Force shall give notice and the full particulars of such Uncontrollable Force to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Uncontrollable Force, the time and date when the Uncontrollable Force occurred and when the Uncontrollable Force is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

Article 17. Default

17.1. Default

17.1.1 General. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of an Uncontrollable Force 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 the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions of its obligations under this LGIA on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

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

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

18.1.3 Indemnity Procedures. Promptly after receipt by an Indemnified Person of any claim or notice of the commencement of any action or administrative or legal

proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the Indemnified Person shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to the Indemnifying Party, the Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Person or Indemnified Persons having such differing or additional legal defenses.

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

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall 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, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Each party shall, at its own expense, maintain in force throughout the period of this LGIA, and until released by the other Party, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars ($1,000,000) per occurrence/One Million Dollars ($1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public

roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence/Twenty Million Dollars ($20,000,000) aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this LGIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2)

years after termination of this LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this LGIA.

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

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

18.3.11 The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this 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 Distribution Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Distribution 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 Distribution Provider of the date and particulars of any such exercise of assignment right(s), including providing the Distribution 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.

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 Distribution Provider) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or 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 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 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.

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. Distribution 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 Distribution Provider. The initial information submission by Distribution Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Distribution System and 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 Distribution Provider shall provide Interconnection Customer a status report on the construction and installation of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution Provider for the Feasibility 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 Distribution 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 Distribution Provider pursuant to the Interconnection Study Agreement between Distribution Provider and Interconnection Customer, then Distribution Provider will conduct appropriate studies to determine the impact on Distribution Provider Distribution System and 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 Trial 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 Distribution Provider for each individual generating unit in a station. Subsequent to the Commercial Operation Date, Interconnection Customer shall provide

Distribution Provider any information changes due to equipment replacement, repair, or adjustment. Distribution Provider shall provide Interconnection Customer any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Distribution 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-Uncontrollable Force 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 an Uncontrollable Force 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, Distribution Provider's efforts to allocate responsibility for interruption or reduction of generation on the Distribution 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades shall be subject to audit for a period of twenty-four months following Distribution 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 Distribution 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 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 this LGIA or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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.

27.2 External Arbitration Procedures. Any arbitration initiated under this LGIA 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") and any applicable FERC regulations; 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 this LGIA and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

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 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 the corporate 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).

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. [Reserved]

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 Distribution 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 two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

30.9 Amendment. The Parties may by mutual agreement amend this 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 a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this LGIA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights. Distribution Provider shall have the right to make a unilateral filing with FERC to modify this LGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this LGIA pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this LGIA shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

30.12 No Partnership. This 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.

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

By: _____

Name: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Name: _____

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 Distribution 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

Appendix C to LGIA

Interconnection Details

Appendix D to LGIA

Security Arrangements Details

Infrastructure security of Distribution System and Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Distribution System reliability and operational security. FERC will expect the ISO, all transmission providers, market participants, and interconnection customers interconnected to the Distribution System and 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 Distribution Provider and Interconnection Customer.

[Date]

[Distribution 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:

Distribution Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Distribution Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Distribution Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Appendix G to LGIA

Requirements of Generators Relying on Newer Technologies

INTERCONNECTION REQUIREMENTS FOR A WIND GENERATING PLANT

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

A. Technical Standards Applicable to a Wind Generating Plant

i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

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

1. Wind generating plants are required to remain in-service during three- phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the Distribution Provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the

wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the interconnection voltage or "GSU"), after which, if the fault remains following the location-specific normal clearing time for three phase faults, the wind generating plant may disconnect from the electric system.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected 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.

Post-transition Period LVRT Standard

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

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the Distribution Provider. The

maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the electric system. A wind generating plant shall remain interconnected during such a fault on the electric system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the 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.

ii. 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 of the Final Rule establishing the reactive power requirements for non-synchronous generators in section 9.6.1 of this LGIA (Order No. 827). A wind 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 Distribution Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The

power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Distribution Provider, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from the Distribution Provider to protect system reliability. The Distribution Provider and the wind plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and electric system reliability in its area.

ATTACHMENT I:
Generator Interconnection Procedures (GIP)

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Section 7. Generally Applicable Provisions for the Letter Agreement

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Section 9. Generally Applicable Provisions Regarding, Withdrawal, Transferability of Interconnection Request, Use of Study Deposits, Refunds of Study Deposits, and Other Cost Responsibilities

9.1 Withdrawal
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Attachment 1 Glossary of Terms

Attachment 2 Generator Interconnection Request (Online Application)

Attachment 3 Certification Codes and Standards

Attachment 4 Certification of Generator Equipment Packages

Attachment 5 Application, Procedures, and Terms and Conditions for Interconnecting a Certified Inverter-Based Generating Facility No Larger than 10 kW ("10 kW Inverter Process")

Attachment 6 Generator Interconnection Study Process Agreement

Attachment 7 Interconnection System Impact Study Agreement

Attachment 8 Interconnection Facilities Study Agreement

Section 1. Application

1.1 Applicability

As of the effective date of the WDT Attachment K, "Generator Interconnection Study Procedures (GISP)", no new interconnection requests will be accepted under this Generator Interconnection Procedure (GIP).

1.1.1 The objective of this GIP is to implement the requirements for Generating Facility interconnections to the Distribution System. This GIP applies to all Generating Facilities regardless of size. Please refer to the following sections for applicability and eligibility requirements of the five (5) study processes under this GIP:

(1) Fast Track Process: Section 2.1

(2) Independent Study Process (ISP): Section 3.1

(3) Distribution Group Study Process (DGSP): Section 4.1

(4) Cluster Study Process (CSP): Section 5.1

(5) 10kW Inverter Process: Attachment 5

1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of these procedures.

1.1.3 (not used)

1.1.4 Prior to submitting its Interconnection Request (Attachment 2), the Interconnection Customer may ask the Distribution Provider's interconnection contact employee or office whether the proposed interconnection is subject to these procedures. The Distribution Provider shall respond within fifteen (15) Business Days.

1.1.5 Infrastructure security of electric system equipment and operations and control

hardware and software is essential to ensure day-to-day reliability and operational security. The Federal Energy Regulatory Commission expects all Distribution and Transmission Providers, market participants, and Interconnection Customers interconnected with electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

1.1.6 References in these procedures to "interconnection agreement" or GIA are to the Small Generator Interconnection Agreement (SGIA) 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), or unless the Interconnection Customer is eligible to interconnect under state jurisdiction and elects to opt for a Rule 21 GIA, in which case references to interconnection agreement are to the Rule 21 GIA.

1.2 Pre-Application

1.2.1 Standard Pre-Application Report

Upon receipt of a completed Pre-Application Report Request and a non-refundable processing fee of $300, Distribution Provider shall provide pre-application data described in this section within ten (10) Business Days of receipt. The Pre-Application Report Request shall include a proposed Point of Interconnection, generation technology and fuel source. The proposed Point of Interconnection shall be defined by latitude and longitude, site map, street address, utility equipment number (e.g. pole number), meter number, account number or some combination of the above sufficient to clearly identify the location of the Point of Interconnection.

The Standard Pre-Application Report will include the following information if

available:

1. Total Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.

2. Allocated Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.

3. Queued Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.

4. Available Capacity (MW) of substation/area bus or bank and circuit most likely to serve proposed site.

5. Substation nominal distribution voltage or transmission nominal voltage if applicable.

6. Nominal distribution circuit voltage at the proposed site.

7. Approximate circuit distance between the proposed site and the substation.

8. Relevant Line Section(s) peak load estimate, and minimum load data, when available.

9. Number of protective devices and number of voltage regulating devices between the proposed site and the substation/area.

10. Whether or not three-phase power is available at the site.

11. Limiting conductor rating from proposed Point of Interconnection to distribution substation.

12. Based on proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

13. Nominal distribution circuit voltage and wiring configuration.

1.2.2 Enhanced Pre-Application Report

The Enhanced Pre-Application Report Request shall be submitted in parallel with the Standard Pre-Application Report. Requests that exclude the Standard Pre-Application Report and select only the Enhanced Pre-Application Report package shall be assessed an additional non-refundable fee of $100.

The Enhanced Pre-Application Report Request shall include a proposed Point of Interconnection, generation technology and fuel source. The proposed Point of Interconnection shall be defined by latitude and longitude, site map, street address, utility equipment number (e.g. pole number), meter number, account number or some combination of the above sufficient to clearly identify the location of the Point of Interconnection.

The information included in the Enhanced Pre-Application Report is dependent upon the data package selected by Interconnection Customer.

(i) Primary Service Package

Upon receipt of a completed Enhanced Pre-Application Report Request for Primary Service Package and a non-refundable fee of $225, and additional $100 fee if applicable, Distribution Provider shall provide the enhanced pre-application data described in this section within ten (10) Business Days of receipt.

The Primary Service Package will include the following information if available:

1. Relevant line section(s) absolute minimum load and minimum load during the 10 AM – 4 PM period (provided when SCADA data is

available).

2. Existing upstream protection including:

(a) Device type (Fuse Breaker, Recloser)

(b) Device controller (device make/model ex: 50E/50T)

(c) Phase settings [IEEE Curve, Lever, Min Trip (A), Inst Trip(A)]

(d) Ground settings [IEEE Curve, Lever, Min Trip (A), Inst Trip(A)]

(e) Rated continuous current

(f) Short Circuit interrupting capability

(g) Confirm if the device is capable of bi-directional operation

3. Provide the Available Fault Current at the proposed Point of Interconnection including existing distributed generation fault contribution.

1.3 Interconnection Request

Any Interconnection Customer for Interconnection to Distribution Provider's Distribution System must submit a complete and valid Interconnection Request via the Distribution Provider's online application process. An Interconnection Request will be considered complete and valid when all items required for an Interconnection Request have been received by Distribution Provider and deemed valid by Distribution Provider along with the receipt of the nonrefundable $800 Interconnection Request fee and Interconnection Study Deposit as specified in Section 1.6 of this GIP:

After an Interconnection Request is deemed complete and valid, Distribution Provider will proceed to the requested study process unless the Interconnection Request is

proposing to interconnect to a substation or circuit common to another Interconnection Request undergoing Interconnection Request validation.

1.3.1 Smart Inverter Requirement for Inverter-based Generators

In accordance with UL-1741 Supplement SA, any new Interconnection Requests for inverter-based generation received on or after September 9, 2017, must employ UL-1741 Supplement SA certified Smart Inverters.

Replacement of existing non-smart inverters with a smart inverter is allowed without a new Interconnection Request by mutual agreement between the Interconnection Customer and the Distribution Provider, assuming there are no additional facility changes that might warrant a new interconnection request.

Replacement of an existing non-smart inverter with another equivalent non-smart inverter also is allowed without a new Interconnection Request by mutual agreement between the Interconnection Customer and the Distribution Provider, provided that:

- The replacement inverter has the same rating;

- The replacement inverter has equal or greater functionality;

- The replacement inverter is certified to UL-1741; and

- There are no additional facility changes that might warrant a new Interconnection Request.

1.3.2 Acknowledgement of Interconnection Request

Distribution Provider shall provide a first written notification to the Interconnection Customer within ten (10) Business Days of receipt of the Interconnection Request, which notice shall state whether the Interconnection Request is deemed complete and valid.

1.3.3 Deficiencies in Interconnection Request

1.3.3.1 First Notification of Deficiency

If an Interconnection Request fails to meet the requirements, Distribution Provider shall state in its first written notification the reasons for such failure and that the Interconnection Request does not constitute a valid request.

Interconnection Customer shall provide Distribution Provider the additional requested information needed to constitute a complete and valid request within ten (10) Business Days from the date of the first written notification that the Interconnection Request is invalid.

1.3.3.2 Second Notification of Deficiency

Distribution Provider shall provide a second written notification to Interconnection Customer within ten (10) Business Days of receipt of the additional requested information, stating whether the Interconnection Request is valid or the reasons for any failure.

Interconnection Customer shall provide Distribution Provider the additional requested information needed to constitute a complete and valid request within five (5) Business Days from the date of the second written notification that the Interconnection Request is invalid.

1.3.3.3 Extension Request

Upon request, Interconnection Customer can receive one extension of up to twenty (20) Business Days to resolve deficiencies in the Interconnection Request.

1.3.3.4 Failure to Resolve Deficiencies

If Interconnection Customer does not resolve deficiencies in the

Interconnection Request within the time frames set out above, Distribution Provider will deem the Interconnection Request withdrawn. Interconnection Customer may submit a new Interconnection Request.

Interconnection Customers with invalid Interconnection Requests under this Section may seek relief under the dispute resolution provisions in Section 6.2 by so notifying Distribution Provider within two (2) Business Days of receipt of the first or second written notification that the Interconnection Request is incomplete and/or invalid.

1.3.4 Assignment of Queue Position

If there were no deficiencies in the Interconnection Request, the queue position will be based on the date Distribution Provider received the Interconnection Request. If there were deficiencies in the Interconnection Request, the queue position will be based on the date Distribution Provider determines an Interconnection Request to be complete and valid. Should Distribution Provider not meet any deadline for providing the first or second written notification to Interconnection Customer regarding the Interconnection Request, Interconnection Customer's queue position shall be set on the final day of the period in which Distribution Provider was obligated to provide such written notification, provided, however, that Interconnection Customer meets deadlines as set out above to submit any additional information required for a valid Interconnection Request following such written notification, and that Distribution Provider determines that the Interconnection Request is valid. An Interconnection Request for the expansion of capacity of an existing Generating Facility shall be treated the same as an Interconnection Request for a new Generating Facility pursuant to this GIP.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Generating Facility not agreed to in writing by the Distribution Provider and the Interconnection Customer may be deemed a withdrawal of the Interconnection

Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken.

1.5 Site Exclusivity

Documentation of Site Exclusivity must be submitted with the Interconnection Request. Site Exclusivity may be demonstrated through:

1.5.1 Ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility;

1.5.2 An option to purchase or acquire a leasehold site for such purpose; or

1.5.3 An exclusivity or other business relationship between the Interconnection Customer and the entity having the right to sell, lease, or grant the Interconnection Customer the right to possess or occupy a site for such purpose.

1.6 Study Costs

The following table summarizes the deposits or fees required for each of the Distribution studies. In each case, the Interconnection Customer will be invoiced for the appropriate amount during the application process or as needed between studies. For all Wholesale Distribution study processes described in this procedure, the Interconnection Customer is still responsible for all actual costs to complete the study(-ies) (See Sections 9.5 and 9.6 for more information on this requirement).

Table 1-1 Interconnection Study Deposits and Fees

Study Process	Study Type(s)	Application Fee (1)	Study Deposit (2)
Fast Track (Section 2)	Initial Review	$800	$1,000 (4)
	Supplemental Review	$0 (unless not paid for Initial Review)	$2,500 (4)
Independent Study Process	System Impact Study	$800	$10,000 (4)

Study Process	Study Type(s)	Application Fee [1]	Study Deposit [2]
(ISP) (Section 3) For projects <=5 MW [3]	(SIS)		
	Facility Study (FAS)	$0 (unless not paid for SIS)	$15,000 [4]
Independent Study Process (ISP) (Section 3) For projects >5 MW [3]	SIS & FAS Studies	$800	$50,000 + $1,000 / MW, up to $250,000 [4]
Distribution Group Study Process (DGSP) (Section 4) For projects <=5 MW [3]	Phase I	$800	$10,000 [5]
	Phase II	$0	$15,000 [5]
Distribution Group Study Process (DGSP) (Section 4) For projects >5 MW [3]	Phase I & Phase II studies	$800	$50,000 + $1,000 / MW, up to $250,000 [5]
Cluster Study Process (CSP) (Section 5)	Phase 1 & Phase 2 Study	$800	$50,000 + $1,000 / MW up to $250,000 [4]
10 kW Inverter Process (Attachment 5)		$100	---
Deliverability Capacity Studies (Section 5)			
Full Capacity Deliverability Assessment (FCDS)	Phase 1 & Phase 2 Studies	$0 (paid as part of ISP, DGSP, or CSP application)	$50,000 deposit [4]
Annual Full Capacity Deliverability Assessment (AFCDS)	Annual Study Process	$800	$10,000 fee [6]
Distributed Generation Deliverability (DGD)	Annual Assessment	$0	$0

Table 1-1 Notes:

(1) All Application Fees are non-refundable.

(2) Per Sections 9.5 and 9.6, the Interconnection Customer is responsible for actual costs required to perform the study. The Interconnection Study Deposit amounts shown are upfront payments to initiate the study processes.

(3) Project size is determined based on Section 6.10 of this tariff.

(4) Refundable study deposit depending on actual study costs incurred.

(5) Conditionally refundable study deposit – see Section 4 "Distribution Group Study Process" of this GIP.

(6) The AFCDS study fee is a one-time, non-refundable payment. There are no additional study costs charged to the customer.

Section 2. Fast Track Process

2.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its certified Generating Facility with the Distribution Provider's Distribution System if the Generating Facility's capacity does not exceed the size limits identified in the table below. Generating Facilities below these limits are eligible for Fast Track review. However, Fast Track eligibility is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Generating Facility will pass the Fast Track screens in section 2.2.1 below or the Supplemental Review screens in section 2.4 below.

Fast Track eligibility is determined based upon the generator type, the size of the generator, and voltage of the line. All Generating Facilities connecting to lines greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be less than or equal to 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. Interconnection Customers seeking to use the greater size limits for Certified inverter-based Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) must first request a Pre-Application report per Section 1.2 above to determine the electrical circuit distance between the proposed POI and the substation that will serve that Generating Facility. The screens in section 2.2 provide the actual capacity limits for each Interconnection Request. In addition to the size threshold, the Interconnection Customer's proposed Generating Facility must meet the codes, standards, and certification requirements of Attachments 3 and 4 of these procedures, or the Distribution Provider has reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate. All Generating Facilities interconnected under the Fast Track Process will have Energy Only

deliverability status. Entities may apply for full capacity using the Additional Deliverability Assessment Options under Section 4.22.

No changes may be made to the planned Point of Interconnection or Generating Facility machine data, equipment configuration or generation size identified in the original Interconnection Request during the Fast Track Process, unless such changes are suggested and agreed to by the Distribution Provider. Where agreement has not been reached, Interconnection Customers choosing to change the Point of Interconnection or Generating Facility size must withdraw the current project and submit a new Interconnection Request for the new project configuration. If the Interconnection Customer makes changes to any of these items without agreement from the Distribution Provider, the Interconnection Request will be deemed withdrawn.

Table 2-1 Fast Track Eligibility for Smart Inverter-Based Systems

Line Voltage	Fast Track Eligibility Regardless of Location	Fast Track Eligibility on a Mainline[1] and ≤ 2.5 Electrical Circuit Miles from Substation[2]
<5 kV	≤ 500 kW	≤ 500 kW
≥ 5 kV and < 15 kV	≤ 2 MW	≤ 3 MW
≥ 15 kV and < 30 kV	≤ 3 MW	≤ 4 MW
≥ 30 kV and ≤ 69 kV	≤ 4 MW	≤ 5 MW

[1]For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil and 795 kcmil.
[2]An Interconnection Customer must determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to section 1.2.

2.2 Initial Review

Upon receipt of a complete and valid Interconnection Request pursuant to Section 1.3, Distribution Provider shall perform Initial Review using the process in Section 2.2.1. The Initial Review determines if (i) the Generating Facility qualifies for Fast Track Interconnection through Initial Review, or (ii) the Generating Facility requires a

Supplemental Review. Absent extraordinary circumstances, Distribution Provider shall notify Interconnection Customer in writing of the results of Initial Review within fifteen (15) Business Days following validation of an Interconnection Request.

The Interconnection Customer shall be responsible for the Distribution Provider's actual costs for conducting the Initial Review. The Interconnection Request fee will be applied toward the costs for conducting the Initial Review. The Interconnection Customer must pay any review costs that exceed the Interconnection Request fee within thirty (30) Calendar Days of receipt of the invoice or resolution of any dispute. Failure to submit payment for any costs in excess of the Interconnection Study Deposit will result in the withdrawal of the Interconnection Request as well as the termination of any agreements with the Interconnection Customer. If the deposit exceeds the invoiced costs, the Distribution Provider will return such excess within thirty (30) Calendar Days of the invoice with interest.

2.2.1 Screens

2.2.1.1 The proposed Generating Facility's Point of Interconnection must be on a portion of the Distribution Provider's Distribution System that is subject to the Tariff.

2.2.1.2 For interconnection of a proposed Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Generating Facility, on the circuit shall not exceed 15 % of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Distribution Provider's Distribution System connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

2.2.1.3 For interconnection of a proposed Generating Facility to the load side of Spot Network protectors, the proposed Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed the smaller of 5% of a spot

network's maximum load or 50 kW[FN-1] to ensure continuous import of power. Under no condition shall the interconnection of a Generating Facility result in a backfeed of a spot network or cause unnecessary operation of any Spot Network protectors.

FN-1 A Spot Network is a type of distribution system found within modern commercial buildings to provide high reliability of service to a single customer. (Standard Handbook for Electrical Engineers, 11th edition, Donald Fink, McGraw Hill Book Company

2.2.1.4 The proposed Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 % to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

2.2.1.5 The proposed Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 % of the short circuit interrupting capability; nor shall the interconnection proposed for a circuit that already exceeds 87.5 % of the short circuit interrupting capability.

2.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Distribution Provider's Distribution System due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line	**Type of Interconnection to Primary Distribution Line**	**Result/Criteria Type**
Three-phase, three wire	3-phase or single phase, phase to phase	Pass screen

Three-phase, four wire	Effectively-grounded 3 phase or Single phase line-to-neutral	Pass screen

2.2.1.7 If the proposed Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Generating Facility, shall not exceed the service transformer or secondary conductor rating.

2.2.1.8 If the proposed Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

2.2.1.9 The Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Generating Facility proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

2.2.1.10 No construction of facilities by the Distribution Provider on its own system shall be required to accommodate the Generating Facility.

2.2.2 For Interconnection Requests that pass Initial Review and do not require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall tender a draft Generator Interconnection Agreement (GIA), together with draft appendices, within fifteen (15) Business Days of providing notice of Initial Review results.

For Interconnection Requests that pass Initial Review but do require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall provide Interconnection Customer with a non-binding cost estimate of the Interconnection Facilities or Distribution Upgrades within fifteen (15) Business

Days of providing Initial Review results. Following the receipt of a cost estimate for any Distribution Upgrades and/or Interconnection Facilities that have been identified, Interconnection Customer shall notify Distribution Provider within fifteen (15) Business Days whether Interconnection Customer: (i) requests a GIA (see Section 2.6), or (ii) withdraws its Interconnection Request. Interconnection Customer may request one extension of no more than fifteen (15) Business Days to respond. If Interconnection Customer fails to notify Distribution Provider within fifteen (15) Business Days, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn. If Interconnection Customer elects to proceed to the Generator Interconnection Agreement, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of Interconnection Customer's request.

2.3 Optional Initial Review Results Meeting

For all Interconnection Requests that pass Initial Review, refer to Section 2.2.2 for next steps in this study process.

For Interconnection Requests that fail one or more Initial Review screens, the Distribution Provider shall provide notice to the Interconnection Customer of the technical reason, data and analysis supporting the Initial Review results in writing. Interconnection Customer shall notify Distribution Provider within ten (10) Business Days following such notification whether to (i) proceed to an Initial Review Results Meeting, (ii) proceed to Supplemental Review, or (iii) withdraw the Interconnection Request. Interconnection Customer may request one extension of no more than ten (10) Business Days to respond.

If Interconnection Customer fails to provide a decision to the Distribution Provider within ten (10) Business Days of notification to the Interconnection Customer of the Initial Review results, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

Within five (5) Business Days of Interconnection Customer's request for an Initial Review Results Meeting, Distribution Provider shall contact Interconnection Customer and offer to convene a meeting at a mutually acceptable time to review the Initial Review screen analysis and related results to determine what modifications, if any, may permit the Generating Facility to be connected safely and reliably without Supplemental Review.

If, during the Initial Review Results Meeting, the Interconnection Customer and the Distribution Provider identify and agree to mitigations or modifications that obviate the need for Supplemental Review and if no Interconnection Facilities or Distribution Upgrades are required, the Distribution Provider shall provide the Interconnection Customer with a Generator Interconnection Agreement in accordance with Section 2.6 of this GIP . If Interconnection Facilities or Distribution Upgrades are required, Distribution Provider shall provide the Interconnection Customer with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Initial Review results meeting. Interconnection Customer shall notify Distribution Provider within ten (10) Business Days following such notification whether to (i) proceed to a GIA, (ii) proceed to Supplemental Review, or (iii) withdraw the Interconnection Request.

If the Interconnection Customer and Distribution Provider are unable to identify or agree to modifications that enable the Interconnection Request to pass Initial Review, the Interconnection Customer shall notify Distribution Provider within ten (10) Business Days of the Initial Review results meeting whether it would like to proceed with Supplemental Review or withdraw its Interconnection Request.

If Interconnection Customer fails to notify Distribution Provider, within ten (10) Business Days of the Initial Review results meeting, the Interconnection Request shall be deemed withdrawn.

If the Interconnection Customer requests to proceed to Supplemental Review, the Distribution Provider shall provide a Supplemental Review agreement and an invoice for the study deposit to the Interconnection Customer within ten (10) Business Days. The

Interconnection Customer shall execute the agreement and complete payment of the deposit within ten (10) Business Days of invoice delivery.

2.3.1 (not used)

2.3.2 (not used)

2.3.3 (not used)

2.3.4 (not used)

2.4 Supplemental Review

If Interconnection Customer requests a Supplemental Review and submits to the Distribution Provider an executed Supplemental Review agreement and deposit, Distribution Provider shall complete Supplemental Review using the screens set forth below, notify in writing the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Distribution Provider's determinations under the screens within twenty (20) Business Days, absent extraordinary circumstances, following authorization and receipt of the Supplemental Review agreement or study deposit, whichever is later.

The Supplemental Review will determine if (i) the Generating Facility qualifies for Fast Track Interconnection, or (ii) the Generating Facility requires further study in either the Independent Study Process or Cluster Study Process. The Interconnection Customer may specify the order in which the Distribution Provider will complete the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Distribution Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in section 2.4.1, within two (2) Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this section 2.4; (2) terminate the supplemental review and continue evaluating the Generating Facility under the

Independent Study Process (see Section 3.0 of this GIP); or (3) terminate the supplemental review upon voluntary withdrawal of the Interconnection Request by the Interconnection Customer.

The Interconnection Customer shall be responsible for the Distribution Provider's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within thirty (30) Calendar Days of receipt of the invoice or resolution of any dispute. Failure to submit payment for any costs in excess of the Interconnection Study Deposit will result in the withdrawal of the Interconnection Request as well as the termination of any agreements with the Interconnection Customer. If the deposit exceeds the invoiced costs, the Distribution Provider will return such excess within thirty (30) Calendar Days of the invoice with interest.

For Interconnection Requests that pass Supplemental Review and do not require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of providing notice of Supplemental Review results. Refer to Section 2.6 of this GIP for information about completing the GIA.

For Interconnection Requests that pass Supplemental Review and do require Interconnection Facilities or Distribution Upgrades, the Distribution Provider shall provide Interconnection Customer with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of providing notice of Supplemental Review results. For all Interconnection Requests that pass Supplemental Review, refer to Section 2.6 of this GIP for information about completing the GIA.

For Interconnection Requests that fail Supplemental Review, Distribution Provider shall provide the technical reason, data and analysis supporting the Supplemental Review results in writing, including, if Distribution Provider can make the determination, which additional study process Interconnection Customer qualifies for, and provide Interconnection Customer the option to attend a Supplemental Review Results Meeting

or proceed directly to the Independent Study Process or Cluster Study Process. Interconnection Customer shall notify Distribution Provider within fifteen (15) Business Days following such notification whether to (i) proceed to a Supplemental Review Results Meeting, (ii) proceed to Independent Study Process, Distribution Group Study Process, or Cluster Study Process (held for next window), or (iii) voluntarily withdraw the Interconnection Request. Interconnection Customer may request one extension of no more than fifteen (15) Business Days to respond.

If Interconnection Customer fails to notify Distribution Provider within fifteen (15) Business Days of such notification, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

2.4.1 Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Generating Facility) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100% of the minimum load for all line section bounded by automatic sectionalizing devices upstream of the proposed Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the Distribution Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under section 2.4.

2.4.1.1 The type of generation used by the proposed Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen 2.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e. 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

2.4.1.2 When this screen is being applied to a Generating Facility that serves some station service load, only the net injection into the Distribution Provider's electric system will be considered as part of the aggregate generation.

2.4.1.3 Distribution Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

2.4.2 Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.

2.4.3 Safety and Reliability Screen: The location of the proposed Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Distribution Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

2.4.3.1 Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customer).

2.4.3.2 Whether the loading along the line section is uniform or even.

2.4.3.3 Whether the proposed Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and

emergency ampacity.

2.4.3.4 Whether the proposed Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

2.4.3.5 Whether operational flexibility is reduced by the proposed Generating Facility, such that transfer of the line section(s) of the Generating Facility to a neighboring distribution circuit/substation may trigger overloads or voltage issues.

2.4.3.6 Whether the proposed Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

2.5 Optional Supplemental Review Results Meeting

Within five (5) Business Days of Interconnection Customer's request for a Supplemental Review Results Meeting, Distribution Provider shall contact Interconnection Customer and offer to convene a meeting at a mutually acceptable time to review the Supplemental Review screen analysis and related results to determine what modifications, if any, may permit the Generating Facility to be connected safely and reliably without the need to proceed to the Independent Study Process or Cluster Study Process.

If modifications that obviate the need to proceed to the Independent Study Process or Cluster Study Process are identified and Interconnection Customer and Distribution Provider agree to such modifications, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of the Supplemental Review Results Meeting if no Interconnection Facilities or Distribution Upgrades are required. If Interconnection Facilities or Distribution Upgrades are required, Distribution Provider shall provide Interconnection Customer with a non-binding cost estimate of any

Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Supplemental Review Results Meeting. For all Interconnection Requests that pass Supplemental Review, refer to Section 2.6 for completing the GIA

If Interconnection Customer and Distribution Provider are unable to identify or agree to modifications that enable the Interconnection Request to pass Supplemental Review, Interconnection Customer shall notify Distribution Provider within twenty (20) Business Days of the Supplemental Review Results Meeting whether it would like to proceed to Independent Study Process, Distribution Group Study Process, Cluster Study Process (next window), or withdraw its Interconnection Request. If the Interconnection Customer proceeds to Independent Study Process, Distribution Group Study Process, or Cluster Study Process, the original Interconnection Request cannot be modified until the chosen Interconnection Study Process allows. Interconnection Customer may request one extension of no more than twenty (20) Business Days to respond. If Interconnection Customer fails to notify Distribution Provider within twenty (20) Business Days of the Supplemental Review Results Meeting, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

If the Interconnection Customer that elects to proceed to Independent Study Process, Distribution Group Study Process, or Cluster Study Process, the Interconnection Customer shall provide the applicable study deposit set forth in Section 3.2.1 for Independent Study Process, Section 4.1 for Distribution Group Study Process, and Section 5.2 for Cluster Study Process, within twenty (20) Business Days.

2.6 Generator Interconnection Agreement (GIA)

2.6.1 Tender

If Interconnection Customer elects to proceed to a Generator Interconnection Agreement, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of Interconnection Customer’s

request.

2.6.2 Negotiation

Upon receipt of a draft GIA, Interconnection Customer has ninety (90) Calendar Days to sign and return the GIA. Interconnection Customer shall provide written comments, or notification of no comments, to the draft GIA and appendices within thirty (30) Calendar Days. At the request of Interconnection Customer, Distribution Provider shall begin negotiations with Interconnection Customer at any time after Distribution Provider provides Interconnection Customer with the draft GIA, which contains in its appendices the cost estimate for any Distribution Upgrades and/or Interconnection Facilities that have been identified by Distribution Provider. Distribution Provider and Interconnection Customer shall negotiate concerning the cost estimate, or any disputed provisions of the appendices to a draft GIA, for not more than ninety (90) Calendar Days after Distribution Provider provides Interconnection Customer with the GIA.

If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations and initiate Dispute Resolution procedures pursuant to Section 6.2. If Interconnection Customer fails to sign the GIA or initiate Dispute Resolution within ninety (90) Calendar Days, the Interconnection Request shall be deemed withdrawn.

2.6.3 Execution and Filing

Interconnection Customer shall either: (i) execute two originals of the tendered GIA and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. As soon as practicable, Distribution Provider shall file the unexecuted GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by

Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed upon terms of the unexecuted GIA, they may proceed pending FERC action.

Interconnection Customer retains financial responsibility for any Interconnection Facilities, Distribution Upgrades, or Network Upgrades determined by subsequent engineering or study work , such as final engineering and design work, or other future operational or other technical study, such as to identify and determine the cost of any Distribution Provider's Interconnection Facilities required by the Generating Facility, or of short circuit duty-related Reliability Network Upgrades as assigned to the Interconnection Request during the Fast Track Process as set forth in Section 2, that are attributable to the Interconnection Request. If future engineering or other study work determines that the Interconnection Customer is financially responsible for Interconnection Facilities, Distribution Upgrades, or Network Upgrades identified in these future studies, the GIA will be amended to assign the Interconnection Customer financial responsibility for such facilities and upgrades.

Section 3. Independent Study Process

3.1 Applicability

The Independent Study Process shall be used by an Interconnection Customer proposing to interconnect its Generating Facility with the Distribution Provider's Distribution System if the proposed Generating Facility passes the electrical independence screen to qualify for the Independent Study Process.

3.1.1 Independent Study Process Screen

To qualify for inclusion under the Independent Study Process, an Interconnection Customer must pass the electrical independence screen:

The Distribution Provider will determine whether an Interconnection Request can

be eligible for study under the Independent Study Process by performing the Electrical Independence Test. The Electrical Independence Test for Interconnection Requests proposing to interconnect to the Distribution System will consist of two parts, (1) the determination of electrical independence for the ISO Grid, and (2) an evaluation by the Distribution Provider of known or reasonably anticipated, in the engineering judgment of the Distribution Provider, relationships to yet-to-be completed Interconnection Studies of earlier queued Generating Facilities to which the Generating Facility under consideration for the Electrical Independence Test is electrically related. The Interconnection Request must pass the determination of electrical independence for the ISO Grid, as well as the Distribution Provider's evaluation of electrical independence for the Distribution System in order to be eligible for the Independent Study Process.

3.1.1.1 The Determination of Electrical Independence for the ISO Grid

If the Interconnection Request to the Distribution System is of sufficient MW size to be reasonably anticipated, in the engineering judgment of the Distribution Provider in consultation with the ISO, to require or contribute to the need for Network Upgrades, Distribution Provider will perform (or request that the ISO perform) the incremental power flow, and aggregate power flow, tests as set forth in the ISO Tariff, or any successor provision. If the Interconnection Request does not pass the ISO Grid incremental power flow, aggregate power flow, and short-circuit duty tests, then it fails the evaluation of electrical independence for the ISO Grid.

If Distribution Provider does not reasonably anticipate, in the engineering judgment of the Distribution Provider, to require or contribute to the need for Network Upgrades, then the Interconnection Request will be deemed to have passed the determination of electrical independence for the ISO Grid, and will be separately evaluated by Distribution Provider, as set forth in Section 3.1.1.2.

In the event that the Interconnection Request fails the determination of electrical independence for the ISO Grid, the Interconnection Request will be required to enter into the Cluster Study Process as set forth in GIP Section 5 or withdraw.

3.1.1.2 The Distribution Provider evaluation of Electrical Independence for the Distribution System

Distribution Provider will evaluate each Interconnection Request for known or reasonably anticipated, in the engineering judgment of the Distribution Provider, relationships between the Interconnection Request and any earlier-queued Interconnection Requests in the Fast Track Process, the Independent Study Process, the Cluster Study Process, any predecessor interconnection procedures, or under Rule 21, that have yet to complete their respective studies or reviews. Distribution Provider will use existing Interconnection Studies, Base Case Data, overall system knowledge, and engineering judgment to determine whether an Interconnection Request can be studied independently of earlier-queued Interconnection Requests. If the Interconnection Request being evaluated for electrical independence on the Distribution System may be related to earlier-queued Generating Facilities that have yet to complete their respective studies or reviews, then it fails the evaluation of electrical independence for the Distribution System.

In the event that the Interconnection Request passes the determination of electrical independence for the ISO Grid, but does not pass the determination of electrical independence for the Distribution System, the Interconnection Request will be required to enter into the Distribution Group Study Process as set forth in GIP Section 4 or withdraw.

3.1.1.3 The Distribution Provider will inform an Interconnection Customer whether it has satisfied the requirements set forth in Section 3.1.1 within

twenty (20) Business Days from deeming the Interconnection Request complete pursuant to Section 1.3. Any Interconnection Request that does not satisfy the criteria set forth in Section 3.1.1 shall be given the option of entering into the Distribution Group Study Process or Cluster Study Process (as applicable). The Interconnection Customer shall inform the Distribution Provider within 15 BD of the notification of failure of the Electrical Independence Test of its choice to enter the Distribution Group Study Process or Cluster Study Process. If the Interconnection Customer fails to inform the Distribution Provider of their decision within the timeframe above, the Interconnection Request will be deemed withdrawn.

An Interconnection Request that fails the Electrical Independence Test, including either the ISO test for independence under GIP Section 3.1.1.1 or the Distribution Provider test for independence under Section 3.1.1.2, will be required to wait until the next Distribution Group Study Window, Cluster Window, or twelve (12) months from the date the Interconnection Customer was informed of the failure of the Electrical Independence Test to resubmit an Interconnection Request within a similar Point of Interconnection, unless all of the relevant studies or reviews have been completed for the queued-ahead Interconnection Requests that were the cause of the Interconnection Request failing the Section 3.1.1.2 test. A similar Point of Interconnection is any Point of Interconnection that would be electrically related to the original Interconnection Request that failed the Electrical Independence Test.

3.2 Processing of Interconnection Request

3.2.1 Initiating an Interconnection Request

To initiate an Interconnection Customer under the Independent Study Process, Interconnection Customer must submit all of the following:

(i) A nonrefundable $800 Interconnection Request fee and Interconnection

Study Deposit:

For a Generating Facility with a Gross Nameplate Rating of 5 MW or less, Interconnection Customer must submit an Interconnection Study Deposit of $10,000 for the Interconnection System Impact Study, and where an Interconnection Facilities Study is required, an additional $15,000 deposit must be submitted pursuant to Section 3.6.1;

For a Generating Facility with a Gross Nameplate Rating above 5 MW, Interconnection Customer must submit an Interconnection Study Deposit equal to $50,000 plus $1,000 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole megawatt, up to a maximum of $250,000;

(ii) A completed Interconnection Request in the form of Appendix 1, including requested deliverability status, preferred Point of Interconnection and voltage level, and all other technical data; and

(iii) Demonstration of Site Exclusivity. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

3.2.2 Use of Interconnection Study Deposit

The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider, the ISO, or third parties at the direction of the Distribution Provider or ISO, as applicable, to perform and administer the Interconnection Studies. The Interconnection Study Deposits shall be refundable as follows:

(i) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written

notice under GIP Section 9.1 on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(ii) Should an Interconnection Request made under GIP Section 3.2.1 be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GIP Section 9.1 more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Interconnection System Impact Study, the Distribution Provider shall refund to the Interconnection Customer the greater of the difference between the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of $100,000, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(iii) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GIP Section 9.1 at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GIP

for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Interconnection System Impact Study, the Interconnection Study Deposit shall be nonrefundable.

(iv) Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. The Distribution Provider will reimburse the ISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results. Any proceeds of the Interconnection Study Deposit not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed to be incurred for the Interconnection Studies shall be remitted to the ISO and treated in accordance with ISO Tariff Section 37.9.4., or any successor tariff.

3.3 Scoping Meeting

3.3.1 A Scoping Meeting will be scheduled within ten (10) Business Days after the Interconnection Request is deemed complete pursuant to Section 1.3 and is deemed to have passed the electrical independence screen, or as otherwise mutually agreed to by the Parties. The Distribution Provider and the Interconnection Customer will bring to the meeting personnel, including system engineers and other resources as may be reasonably required to accomplish the purpose of the meeting.

3.3.2 The purpose of the Scoping Meeting is to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request. The Parties shall further discuss whether the Distribution Provider should perform an Interconnection System Impact Study, or proceed directly to an Interconnection Facilities Study, or an interconnection agreement. If the Parties agree that an Interconnection System Impact Study should be performed, the Distribution Provider shall provide the Interconnection Customer, as soon as possible, but not later than fifteen (15) Business Days after the Scoping Meeting, an Interconnection System Impact Study agreement (Attachment 7) including an outline of the scope of the study.

3.3.3 The Scoping Meeting may be omitted by mutual agreement. Within five (5) Business Days following the Scoping Meeting, or after the Interconnection Request has been deemed complete if Scoping Meeting is omitted, the Interconnection Customer shall designate the Point of Interconnection for the Interconnection System Impact Study otherwise, Distribution Provider shall use the information provided in the Interconnection Request. The Distribution Provider shall provide the Interconnection Customer, no later than fifteen (15) Business Days after the Scoping Meeting or after the Interconnection Request has been deemed complete if Scoping Meeting is omitted, an Interconnection System Impact Study agreement including an outline of the scope of the study. In order to remain in consideration for interconnection, an Interconnection Customer must

return the executed Interconnection System Impact Study (Attachment 7) agreement within thirty (30) Business Days after the Distribution Provider provides the Interconnection Customer with the Interconnection System Impact Study agreement. In the case where one or both Interconnection Studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.

3.4 Request for Full Capacity Deliverability Under The Independent Study Process

Unless specified otherwise in the Interconnection Request, Generating Facilities studied under the Independent Study Process will be assumed to have selected Energy-Only Deliverability Status. If an Interconnection Customer requests Full Capacity Deliverability Status in its Interconnection Request for the Independent Study Process, the Generating Facility will initially be studied in the Independent Study Process as Energy-Only Deliverability Status. The Deliverability Assessment for Interconnection Requests in the Independent Study Process that request Full Capacity Deliverability Status will be performed in conjunction with the next available Cluster Study Process pursuant to Section 5.8.3 of this GIP, or as part of the additional Deliverability Assessment options as set forth in Section 5.22 of this GIP.

3.5 Interconnection System Impact Study

3.5.1 An Interconnection System Impact Study shall identify and detail the electric system impacts that would result if the proposed Generating Facility were interconnected without project modifications or electric system modifications or to study potential impacts, including but not limited to those identified in the Scoping Meeting. An Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the electric system.

3.5.2 If potential Adverse System Impacts on the Distribution System are identified in the Scoping Meeting, an Interconnection System Impact Study must be performed. The Distribution Provider shall send the Interconnection Customer an Interconnection System Impact Study agreement pursuant to Section 3.3.

3.5.3 In order to remain under consideration for interconnection, the Interconnection Customer must return executed Interconnection System Impact Study agreements pursuant to Section 3.3.3.

3.5.4 The scope of and cost responsibilities for an Interconnection System Impact Study are described in the attached Interconnection System Impact Study agreement.

3.5.5 Where Transmission Systems and Distribution Systems have separate owners, such as is the case with transmission-dependent utilities ("TDUs") – whether investor-owned or not – the Interconnection Customer may apply to the nearest transmission provider (transmission owner, regional transmission operator, or independent transmission provider) providing transmission service to the TDU to request project coordination. Affected Systems shall participate in the study and provide all information necessary to prepare the study.

3.5.6 Once the required Interconnection System Impact Study is completed, an Interconnection System Impact Study report shall be prepared and transmitted to the Interconnection Customer. The Interconnection Customer shall request a results meeting within ten (10) Business Days of the issuance of the System Impact Study Report. This Results Meeting shall be held among the Distribution Provider, the ISO, if applicable, and the Interconnection Customer to discuss the results of the Interconnection System Impact Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact Interconnection Customer to establish a date agreeable to Interconnection Customer, Distribution Provider and the ISO, if applicable, for the Results Meeting.

If the Interconnection Customer does not request a results meeting within the time specified above, the results meeting will be deemed waived.

Within either (i) five (5) Business Days following the results meeting, or (ii) within twenty-five (25) Business Days of the transmittal of the Interconnection System Impact Study report to the Interconnection Customer, the Distribution

Provider will provide to the Interconnection Customer an Interconnection Facilities Study agreement and an invoice to perform the Interconnection Facilities Study for Generating Facilities with gross nameplate rating of 5MW or less. In the case where one or both Interconnection Studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.

3.5.7 Initial Posting of Interconnection Financial Security

The Interconnection Customer shall make its initial posting of Interconnection Financial Security in accordance with the requirements of Section 6.9 of this GIP, or its Interconnection Request shall be deemed withdrawn.

3.5.8 Modifications in Between the Interconnection System Impact Study and Interconnection Facilities Study

At any time during the course of the Interconnection Studies, the Interconnection Customer, the Distribution Provider, or the ISO, as applicable, may identify changes to the planned interconnection that may improve the costs and benefits, including reliability, of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Distribution Provider, the ISO, as applicable, and Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

At the Interconnection System Impact Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the Distribution Provider issues the Interconnection System Impact Study, but no later than five (5) Business Days following the Interconnection System Impact Study Results Meeting, the Interconnection Customer shall submit to Distribution Provider, in writing,

modifications to any information provided in the Interconnection Request. The Distribution Provider will forward the Interconnection Customer's request for modification to the ISO, if applicable, within two (2) Business Days of receipt.

Modifications permitted under this Section shall include specifically: (a) a decrease in the electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. As the Interconnection Requests in the Independent Study Process are studied as Energy-Only Deliverability Status for purposes of the Interconnection System Impact Study and the Interconnection Facilities Study, and the Deliverability Assessment is performed only as part of the next available Cluster Study Process, there is no ability for the Interconnection Customer to switch from Full Capacity Deliverability Status to Energy-Only Deliverability Status in between the Interconnection System Impact Study and Interconnection Facilities Study.

If the proposed modification is determined to be a Material Modification, the Interconnection Customer may either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. Interconnection Customer shall make such determination within ten (10) Business Days after being provided the Material Modification determination results.

For any other modification, the Interconnection Customer may first request that Distribution Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Distribution Provider, in coordination with the ISO and any Affected System Operator, if applicable, 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 for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this GIP Section 3.5.8, shall constitute a Material

Modification. Interconnection Customer may then either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. The Interconnection Customer shall remain eligible to proceed with the Facilities Study if the modifications are in accordance with this Section 3.5.8.

3.6 Interconnection Facilities Study

3.6.1 In order to remain under consideration for interconnection, or, as appropriate, in the Distribution Provider's interconnection queue, the Interconnection Customer must submit the Interconnection Facilities Study deposit and return the executed Interconnection Facilities Study agreement within thirty (30) Business Days of receipt of the Interconnection Facilities Study agreement. The Interconnection Customer may forgo this Interconnection Facilities Study and move directly to an Interconnection Agreement pursuant to Section 6.8 if it agrees in writing to be responsible for all actual costs of all required facilities deemed necessary by the Distribution Provider.

3.6.2 The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the Interconnection System Impact Study(ies).

3.6.3 Design for any required Interconnection Facilities and/or Upgrades shall be performed under the Interconnection Facilities Study agreement. The Distribution Provider may contract with consultants to perform activities required under the Interconnection Facilities Study agreement. The Interconnection Customer and the Distribution Provider may agree to allow the Interconnection Customer to separately arrange for the design of some of the Interconnection Facilities. In such cases, facilities design will be reviewed and/or modified prior to acceptance by the Distribution Provider, under the provisions of the Interconnection Facilities Study agreement. If the Parties agree to separately arrange for design and construction, and provided security and confidentiality requirements can be met,

the Distribution Provider shall make sufficient information available to the Interconnection Customer in accordance with confidentiality and critical infrastructure requirements to permit the Interconnection Customer to obtain an independent design and cost estimate for any necessary facilities.

3.6.4 The scope of and cost responsibilities for the Interconnection Facilities Study are described in the attached Interconnection Facilities Study agreement.

3.6.5 Second Posting of Interconnection Financial Security

The Interconnection Customer will post its second posting of Interconnection Financial Security in accordance with the instructions provided in Section 6.9 of this GIP, or its Interconnection Request shall be deemed withdrawn.

3.6.6 If requested by the Interconnection Customer, a Results Meeting shall be held among Distribution Provider, the ISO, if applicable, and Interconnection Customer to discuss the results of the Interconnection Facilities Study, including assigned cost responsibility. Within five (5) Business Days of the request, Distribution Provider shall contact Interconnection Customer to establish a date agreeable to Interconnection Customer, Distribution Provider and the ISO, if applicable, for the Results Meeting.

3.6.7 Distribution Provider shall tender a draft GIA, together with draft appendices within thirty (30) Calendar Days of the Distribution Provider issuing the Interconnection Facilities Study report to Interconnection Customer, or within thirty (30) Calendar Days of an Interconnection Facilities Study Results Meeting if requested. Refer to Section 6.8 for time frames for completing the GIA.

3.7 Deliverability Assessment

Interconnection Customers that request Full Capacity Deliverability Status will have a Deliverability Assessment performed as part of the next available Cluster Study Process. If the succeeding Deliverability Assessment identifies any Delivery Network Upgrades that are triggered by the Interconnection Request, the Interconnection Customer will be

responsible to pay its proportionate share of the costs of those Upgrades, pursuant to Section 3.10 of this GIP. If the Generating Facility achieves its Commercial Operation Date before the Deliverability Assessment is completed and any necessary Delivery Network Upgrades are yet to be constructed, the proposed Generating Facility will be treated as an Energy-Only Deliverability Status Generating Facility until such time as the Delivery Network Upgrades are constructed and in service. If the Interconnection Customer and Distribution Provider have executed a GIA before the Deliverability Assessment is completed and any necessary Delivery Network Upgrades are allocated to Interconnection Customer, the GIA will be amended to include the Interconnection Customer's financial responsibility for the Delivery Network Upgrades.

3.8 Extensions of Commercial Operation Date

Extensions of the Commercial Operation Date will be agreed upon in the executed GIA. Reasonable Commercial Operation Dates will be discussed at the Interconnection Facilities Study Results Meeting or the System Impact Study Results Meeting if the Interconnection Facilities Study is waived. Interconnection Requests under the Independent Study Process will not be granted extensions except in circumstances beyond the control of Interconnection Customer. This provision has no impact on any power purchase agreement terms.

3.9 Financing of Distribution Provider's Interconnection Facilities, Distribution Upgrades and Reliability Network Upgrades

The responsibility to finance Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Reliability Network Upgrades identified in the Interconnection Facilities Study shall be assigned solely to the applicable Interconnection Customer.

3.10 Financing of Delivery Network Upgrades

The responsibility to finance Delivery Network Upgrades identified in the On-Peak Deliverability Assessment and Off-Peak Deliverability Assessment as part of the Cluster

Study Process for Interconnection Requests seeking Full Capacity Deliverability Status, including Interconnection Requests studied under the Independent Study Process shall be assigned to all Interconnection Requests selecting Full Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology set forth in ISO Tariff GIP.

3.11 Final Interconnection Financial Security For Generating Facilities In The Independent Study Process

The Interconnection Customer must post Final Interconnection Financial Security following execution of the GIA pursuant to Section 6.9 of this GIP in order to remain in the interconnection process. Failure to do so will result in Interconnection Customer Default on the executed Agreement.

Section 4. Distribution Group Study Process

4.1 Initiation of Distribution Group Study Process

Interconnection Customers that apply for the Independent Study Process and have passed the determination of independence on the ISO Grid, but did not pass the determination of electrical independence for the Distribution System, are eligible for inclusion in a Distribution Study Group. Alternatively, an Interconnection Customer can apply directly to the Distribution Group Study Process (DGSP) by submitting an Interconnection Request during the Distribution Group Study window.

4.2 Timing for Submitting Interconnection Requests

Interconnection Requests applying directly for the DGSP must apply during the Distribution Group Study Application Window available twice each year. The first DGSP Application Window will open on March 1 and close on March 31 of each year. The second DGSP Application Window will open on September 1 and close on September 30 of each year. Each of these Windows will result in a list of participating projects. These projects will be placed into Distribution Groups by the Distribution Provider and the

Electrical Interdependence Test completed for each group, Each Distribution Study Group will proceed into the Phase 1 Distribution Group Study once the Electrical Interdependence Test and Scoping Meeting are completed.

4.3 Processing of Interconnection Request

4.3.1 Initiating an Interconnection Request

To initiate an Interconnection Request under the Distribution Group Study Process, Interconnection Customer must submit all of the following:

(i) A nonrefundable $800 Interconnection Request fee and conditionally refundable Interconnection Study Deposit (See Section 4.3.2 of this GIP for situations in which a deposit is non-refundable):

For a Generating Facility with a Gross Nameplate Rating of 5 MW or less, Interconnection Customer must submit an Interconnection Study Deposit of $10,000 for the DGSP Phase I Interconnection Study, and where a DGSP Phase II Interconnection Study is required, an additional $15,000 deposit must be submitted;

For a Generating Facility with a Gross Nameplate Rating above 5 MW, Interconnection Customer must submit an Interconnection Study Deposit equal to $50,000 plus $1,000 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole megawatt, up to a maximum of $250,000;

(ii) A completed Interconnection Request including Appendix A, the requested deliverability status, preferred Point of Interconnection and associated voltage level, and all other technical data; and

(iii) Demonstration of Site Exclusivity. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the

new Generating Facility or increase in capacity of the existing Generating Facility.

4.3.2 Use of Interconnection Study Deposit

The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider, the ISO, or third parties at the direction of the Distribution Provider or ISO, as applicable, to perform and administer the Interconnection Studies. The Interconnection Study Deposits shall be refundable as follows:

(i) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GIP Section 9.1 on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(ii) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GIP Section 9.1 more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the DGSP Phase I Interconnection Study, the Distribution Provider shall refund to the Interconnection Customer the greater of the difference between the costs the Distribution Provider, ISO, and third parties have incurred on the

Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of $100,000, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(iii) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GIP Section 9.1 at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the DGSP Phase I Interconnection Study, the Interconnection Study Deposit shall be nonrefundable.

(iv) Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably committed to be incurred with respect to that Interconnection Request prior to withdrawal.

Using the withdrawn Interconnection Customer's study deposit or payments made by the Interconnection Customer in addition to that deposit, the Distribution

Provider will reimburse the ISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results.

Non-refundable Study Deposits for Interconnection Requests in a Distribution Study Group shall be applied first to the costs associated with any following Interconnection Study or restudy work performed by Distribution Provider, CAISO, or third party for the withdrawn Interconnection Request's Distribution Study Group. Any remaining proceeds of the Study Deposit, after the withdrawn Interconnection Request's Distribution Study Group has completed all relevant Interconnection Studies or restudies, or all Interconnection Requests associated with the specific Distribution Study Group have withdrawn, not otherwise applied to costs incurred, or irrevocably committed to be incurred for the Interconnection Studies or restudies, shall be allocated to individual Interconnection Customers on a kVA basis who have remained in the Distribution Study Group by executing a GIA.

Such funds shall be allocated to Interconnection Customers sixty (60) Calendar Days following the conclusion of the GIA negotiation pursuant to Section 6.8.

4.4 Electrical Independence Test

In order for Distribution Study Groups to qualify for the Distribution Group Study Process, the Distribution Study Group must first be determined to independent from the ISO Grid utilizing the methodology shown in Section 3.1.1.1 above. Distribution Provider shall provide this assessment to each Interconnection Customer in a Distribution Study Group within thirty (30) Business Days of the close of the window, using the best available information about projects that have entered the Distribution Group Study Process under both PG&E's Rule 21 and WDT. If a Distribution Study Group is found to be dependent on the ISO Grid, then all of the Interconnection Requests contained within the Distribution Study Group will be transitioned to the Cluster Study Process in the next

available Cluster Application Window, unless withdrawn by the Interconnection Customer. In the event that the Cluster Study Process and the Distribution Group Study Process align (during the March windows), the Interconnection Requests in the Distribution Study Group (both Federal and State jurisdiction) will immediately be transitioned to the Cluster Study Process under these procedures.

4.5 Scoping Meeting

Within five (5) Business Days after Distribution Provider provides the results of the Electrical Independence Test, it will contact the Interconnection Customer(s) to notify them that they are eligible for the Distribution Group Study Process and establish a date agreeable to the Interconnection Customer and Distribution Provider for a scoping meeting.

The Distribution Provider, in coordination with the ISO, shall determine whether the Interconnection Request is at or near the boundary of an Affected System(s) so as to potentially impact such Affected System(s). If a determination of potential impact is made, the Distribution Provider shall invite the Affected System Operator(s) in accordance with GIP Section 6.10 to the Scoping Meeting by informing them of the time and place of the scheduled Scoping Meeting as soon as practicable.

The purpose of the Scoping Meeting shall be to discuss reasonable Commercial Operation Dates, alternative interconnection options, to exchange information including any distribution data or transmission data that would reasonably be expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection and eliminate unviable alternatives given resources and other available information.

The Distribution Provider will bring to the meeting, as reasonably necessary to accomplish its purpose, the following: (a) already available technical data, including, but not limited to, (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues, and (b) general information regarding the number, location, and capacity of other Interconnection

Requests in the Interconnection Study Process that may potentially form a Distribution Study Group with the Interconnection Customer's Interconnection Request. The Interconnection Customer will bring to the Scoping Meeting, in addition to the technical data in Appendix A to GIP Attachment 2, any system studies previously performed. The Distribution Provider, the ISO if applicable, and the 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. During the meeting, the Interconnection Customer shall designate its Point of Interconnection. The duration of the meeting shall be only what is sufficient to accomplish its purpose.

With fifteen (15) Business Days after the scoping meeting, Distribution Provider shall provide the Interconnection Customer with a Generator Interconnection Study Process Agreement (GISPA), which shall contain an outline of the scope of the DGSP Phase I Interconnection Study and the DGSP Phase II Interconnection Study and shall specify that the Interconnection Customer is responsible for the actual cost of the Interconnection Studies, including reasonable administrative costs. The Interconnection Customer shall execute and deliver to Distribution Provider the GISPA no later than thirty (30) Business Days after the scoping meeting or the start date of the DGSP Phase I Interconnection Study, whichever is earlier, or the Interconnection Request shall be deemed withdrawn.

4.6 Grouping of Interconnection Requests for a Distribution Group Study

The results of the Electrical Independence Test with respect to the Distribution System, as described in Section 3.1.1.2, will determine the Interconnection Requests to be grouped together for each Distribution Group Study. Each Distribution Study Group will consist of Interconnection Requests that are determined to be electrically interdependent. No later than the date the DGSP Phase I Interconnection Study begins, the Distribution Provider send to each Interconnection Customer in a Distribution Study Group a list of the Interconnection Requests in its Distribution Study Group.

At the Distribution Provider's option, an Interconnection Request received during a particular Distribution Group Study Process Application Window may be studied

individually (Independent Study Process) or in a Distribution Group Study for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study received within the same Distribution Group Study Application Window, the Distribution Provider may develop one or more Distribution Study Groups.

4.7 Timing of the DGSP Phase I Interconnection Study

Absent extraordinary circumstances, Distribution Provider shall complete and issue a DGSP Phase I Interconnection Study report within sixty (60) Business Days from the start of the study.

At any time Distribution Provider determines that it will not meet the required time frame for completing the DGSP Phase I Interconnection Study, Distribution Provider shall notify all Interconnection Customers in the Distribution Study Group as to the status of the DGSP Phase I Interconnection Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, Distribution Provider shall provide any Interconnection Customer in the Distribution Study Group all relevant supporting documentation, work papers, and pre-Interconnection Request and post-Interconnection Request power flow, short circuit and dynamic/stability databases, and currently planned Distribution Upgrades relevant to the Interconnection Request for the DGSP Phase I Interconnection Study. Interconnection Customer may be required to sign a non-disclosure agreement with terms consistent with Section 6.5 “Confidentiality”.

If applicable, Distribution Provider will share the applicable study results with the CAISO for review and comment, and will incorporate CAISO comments, if any, into the study report prior to issuing a DGSP Phase I Interconnection Study report to Interconnection Customers in the Distribution Study Group.

4.8 DGSP Phase I Interconnection Study Results Meeting

If requested by an Interconnection Customer in a Distribution Study Group or

Distribution Provider, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and the Interconnection Customer to discuss the results of the DGSP Phase I Interconnection Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact the Interconnection Customer to establish a date agreeable to the Interconnection Customer, Distribution Provider, and the CAISO, if applicable, for the results meeting. If the Interconnection Customer or Distribution Provider has requested a results meeting, it must be completed within thirty (30) Calendar Days after issuance of the DGSP Phase I Interconnection Study report, unless otherwise agreed upon by the Distribution Provider and the Interconnection Customer.

At the DGSP Phase I Interconnection Study results meeting, the Interconnection Customer shall provide a schedule outlining key milestones including environmental survey start date, expected environmental permitting submittal date, expected procurement date of project equipment, back-feed date for project construction, and expected project construction date. This will assist the parties in determining if proposed Commercial Operation Dates are reasonable. If large scale Distribution Provider's Interconnection Facilities or Distribution Upgrades for the Generating Facility have been identified in the DGSP Phase I Interconnection Study, such as telecommunications equipment, distribution feeders to support back feed, a new substation, and/or expanded substation work, permitting and material procurement lead times may result in the need to alter the proposed Commercial Operation Date, the Interconnection Customer and Distribution Provider may agree to a new Commercial Operation Date. In addition, where an Interconnection Customer intends to establish Commercial Operation separately for different Electric Generating Units or project phases at its Generating Facility, it may only do so in accordance with an implementation plan agreed to in advance by the Distribution Provider and the CAISO, if applicable, which agreement shall not be unreasonably withheld.

Where the parties cannot agree to a revised Commercial Operation Date, the Commercial Operation Date determined reasonable by the Distribution Provider will be used for the

DGSP Phase II Interconnection Study, or the GIA if the DGSP Phase II Interconnection Study is waived, where the revised Commercial Operation Date is needed to accommodate the anticipated completion, assuming Reasonable Efforts by the Distribution Provider of necessary Distribution Upgrades and/or Distribution Provider's Interconnection Facilities, pending the outcome of any relief sought by the Interconnection Customer. The Interconnection Customer must notify the Distribution Provider within five (5) Business Days following the results meeting if it is initiating dispute procedures under Section 5.2.

Within five (5) Business Days following the DGSP Phase I Interconnection Study results meeting, the Interconnection Customer shall submit to the Distribution Provider all requested information. If no DGSP Phase I Interconnection Study results meeting is held, the Interconnection Customer shall submit to Distribution Provider any requested information within thirty (30) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report.

4.9 Initial Postings of Interconnection Financial Security

Following completion of the DGSP Phase 1 Study, the Interconnection Customer must post an initial Interconnection Financial Security in accordance with the instructions provided in Section 6.9 of this GIP in order to remain in the Interconnection Distribution Group Study Process.

4.10 Modifications

At any time during the course of the Interconnection Studies but no later than five (5) Business Days after the Phase 1 Study results meeting, the Interconnection Customer, Distribution Provider, or the CAISO, as applicable, may identify changes to the planned Interconnection that may improve the costs and benefits (including reliability) of the Interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Distribution Provider, the CAISO, as applicable, and the Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the

project configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

At the DGSP Phase I Interconnection Study results meeting, if elected by the Interconnection Customer or Distribution Provider, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the issuance of the DGSP Phase I Interconnection Study report, but no later than five (5) Business Days following the DGSP Phase I Interconnection Study results meeting, the Interconnection Customer shall submit to the Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. Distribution Provider will forward the Interconnection Customer's request for modification to the CAISO, if applicable, within two (2) Business Days of receipt.

If no DGSP Phase I Interconnection Study results meeting is held, the Interconnection Customer shall submit to Distribution Provider any requested modifications within thirty (30) Calendar Days of the issuance of the Phase I Interconnection Study report.

Modifications permitted under this section shall include specifically:

(i) a decrease in the electrical output (MW) of the proposed Generating Facility;

(ii) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;

(iii) modifying the interconnection configuration

For any modifications other than those permitted above, Distribution Provider, in coordination with CAISO, if applicable, will evaluate whether the proposed modification to the Interconnection Request constitutes a Material Modification. Distribution Provider will inform the Interconnection Customer in writing whether the modifications would constitute a Material Modification within ten (10) Business Days of receipt of the propose request for modification. Any change to the Point of Interconnection, except for that specified by the Distribution Provider in an Interconnection Study or otherwise

allowed under this section, shall constitute a Material Modification.

If the proposed Modification is determined to be a Material Modification, the Interconnection Customer may either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. The Interconnection Customer shall make such determination within ten (10) Business Days after being provided the Material Modification results.

Proposed modifications determined not to be Material Modifications may still necessitate a re-evaluation of the DGSP Phase I Interconnection Study to determine modifications to the Interconnection Facilities, Distribution Upgrades, and Network Upgrades. Such re-evaluation will occur at the start of the DGSP Phase II Interconnection Study.

4.11 Scope and Purpose of the DGSP Phase II Interconnection Study and Study Deposit

Within either (i) five (5) Business Days following the DGSP Phase I Interconnection Study results meeting, or (ii) within thirty (30) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report if no DGSP Phase I Interconnection Study results meeting is held, the Interconnection Customer shall submit to the Distribution Provider the data required by Distribution Provider, including a completed GISPA Appendix B and associated submittals. Within thirty (30) Business Days of the issuance of the DGSP Phase I Interconnection Study report, for Generating Facilities 5 MW or less, the Interconnection Customer shall submit the DGSP Phase II Interconnection Study deposit, as set out in Section 4.3.1, unless the DGSP Phase II Interconnection Study is waived in accordance with Section 4.12.

4.12 Waiver of the DGSP Phase II Interconnection Study

The DGSP Phase II Interconnection Study may be waived if Distribution Provider and all Interconnection Customers included in the DGSP Phase II Interconnection Study mutually agree to such waiver within thirty (30) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report. Within thirty (30) Calendar Days after the Distribution Provider and Interconnection Customers agree to waive the DGSP Phase II

Interconnection Study, Distribution Provider shall tender a draft GIA, together with draft appendices, to the Interconnection Customers. The Interconnection Customer is responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution and Transmission System.

4.13 DGSP Phase II Interconnection Study Procedures

Distribution Provider shall utilize existing studies to the extent practicable in conducting the DGSP Phase II Interconnection Study. The Distribution Provider shall commence the DGSP Phase II Interconnection Study within sixty (60) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report.

Distribution Provider shall complete and distribute to Interconnection Customers the DGSP Phase II Interconnection Study reports within sixty (60) Business Days after the commencement of each DGSP Phase II Interconnection Study. The Distribution Provider will issue a DGSP Phase II Interconnection Study report to the Interconnection Customer.

At the request of the Interconnection Customer, or at any time the Distribution Provider determines that it will not meet the required time frame for completing the DGSP Phase II Interconnection Study, Distribution Provider shall notify the Interconnection Customer as to the schedule status of the DGSP Phase II Interconnection Study and provide an estimated completion date. If the Distribution Provider is unable to complete the DGSP Phase II Interconnection Study in the time specified, such notice shall provide an explanation of the reasons why additional time is required.

Upon request of the Interconnection Customer, Distribution Provider shall provide the Interconnection Customer all supporting documentation, work papers, and relevant pre-Interconnection Request and post-Interconnection Request power, short circuit, and stability databases for the DGSP Phase II Interconnection Study, subject to confidentiality arrangements consistent with Section 6.5.

The Distribution Provider will conduct a DGSP Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous DGSP Phase I

Interconnection Study. The DGSP Phase II Interconnection Study shall (i) update, as necessary, analyses performed in the DGSP Phase I Interconnection Study to account for the withdrawal of Interconnection Requests or other projects in the Interconnection Study Process, (ii) identify Distribution Upgrades need to physically interconnect the Generating Facility, (iii) assign cost responsibility for the Distribution Upgrades, (iv) identify for each Interconnection Request a final Point of Interconnection and Distribution Provider's Interconnection Facilities, (v) provide an estimate for each Interconnection Request of the Distribution Provider's Interconnection Facilities, and (vi) optimize in-service timing requirements based on operational studies in order to maximize achievement of the Commercial Operation Dates of the Generating Facilities, as applicable.

4.14 DGSP Phase II Interconnection Study Results Meeting

If requested by an Interconnection Customer in a Distribution Study Group, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and the Interconnection Customer to discuss the results of the DGSP Phase II Interconnection Study, including selection of the final Commercial Operation Date and assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact the Interconnection Customer to establish a date agreeable to the Interconnection Customer, Distribution Provider, and the CAISO, if applicable, for the results meeting. If the Interconnection Customer wants to have a meeting, it must be completed within (30) Calendar Days after issuance of the DGSP Phase II Interconnection Study report, unless mutually agreed upon by the Distribution Provider and the Interconnection Customer.

4.15 Second Posting of Interconnection Financial Security

Following completion of the Phase 2 Study, the Interconnection Customer must post a Second Interconnection Financial Security pursuant to Section 6.9 of this GIP in order to remain in the Interconnection Distribution Group Study Process.

If no Phase 2 Study is performed, or if the start date for Construction Activities of Network Upgrades, Distribution Provider Interconnection Facilities, and Distribution Upgrades on behalf of the Interconnection Customer is prior to one hundred twenty (120) Calendar Days after publication of the final Distributed Group Study report, that start date must be set forth in the Interconnection Customer's GIA and the Interconnection Customer shall make its next Interconnection Financial Security posting in accordance with the Final Financial Security Posting instructions provided in this GIP Section 6.9.

4.16 Withdrawal and Reallocation

If at any time, an Interconnection Request is withdrawn or a Generator Interconnection Agreement is terminated, the upgrades identified in the Interconnection Studies will be re-evaluated to determine if they are still needed. If the Distribution Provider determines that a restudy is needed, it will be conducted pursuant to this GIP Section 4.17. Any costs identified in the Distribution Group Study not already funded by Interconnection Financial Security that has been posted by the withdrawing Interconnection Customer, will be the responsibility of remaining Interconnection Customers in the Distribution Group and will be reallocated per this GIP Section 4.18

4.17 Restudy

If a restudy is required following the issuance of the DGSP Phase II Interconnection Study, or the DGSP Phase I Interconnection Study if the DGSP Phase II Interconnection Study is waived, due to a project withdrawal, Distribution Provider shall notify the remaining Interconnection Customers in writing.

The restudy report shall be completed and provided to each Interconnection Customer remaining in the Distribution Study Group within sixty (60) Business Days of the withdrawal of the Interconnection Request that caused the restudy. The remaining Interconnection Requests in the Distribution Study Group will be responsible for the cost

of the restudy.

4.18 Cost Allocation

The costs of Interconnection Facilities will be assigned to the triggering Interconnection Request. Costs of Distribution Upgrades or Network Upgrades identified through a Distribution Group Study shall be allocated pro rata among the Interconnection Requests in a Distribution Study Group based on nameplate kilovolt amperes (kVA) and, in some instances, based on an Interconnection Request's specific contributions to the upgrade costs as determined by the Distribution Provider. Costs for upgrades will be allocated based upon an Interconnection Request's specific contributions to a particular upgrade only if the Distribution Provider determines that, based on overall fairness to the Distribution Study Group, the individual Interconnection Request should be responsible for the costs rather than the entire Distribution Study Group. Cost allocation within the Distribution Study Group will not always align with cost contribution under a per kVA plus specific contribution allocation method. The DGSP Phase I and Phase II study reports will indicate how cost allocation is determined. Examples of possible shared costs include but are not limited to: upgraded transformers, reconductoring, circuit switchers, and breakers.

4.19 Automatic Timing Extension

If during any six month period, the number of Interconnection Requests exceeds by fifty (50) percent the number of active Interconnection Requests in the preceding six month period, the study timelines for Distribution Group Studies begun during the next twelve (12) months will automatically increase as follows. The time to complete the DGSP Phase I Interconnection Study will increase from sixty (60) Business Days to one hundred twenty (120) Business Days. The time to complete the DGSP Phase II Interconnection will increase from sixty (60) Business Days to one hundred twenty (120) Business Days. The time to tender a draft Generator Interconnection Agreement will increase from thirty (30) Calendar Days to forty-five (45) Calendar Days. The Distribution Provider will notify Interconnection Customers in the Distribution Study

Group of the extension in writing after commencement of DGSP Phase I Interconnection Study.

4.20 Final Interconnection Financial Security For Generating Facilities In The Distribution Group Study Process

The Interconnection Customer must post a final Interconnection Financial Security following execution of the GIA pursuant to Section 6.9 of this GIP in order to remain in the interconnection process. Failure to do so will result in Interconnection Customer Default on the executed Agreement.

Section 5. Cluster Study Process

5.1 Timing for Submitting Interconnection Requests

Interconnection Requests must be submitted during a Cluster Application Window. There will be two Cluster Application Windows associated with each study cycle. The first Cluster Application Window will open on October 15 and close on November 15 of the year prior to the year in which the Interconnection Studies are performed. The second Cluster Application Window will open on March 1 and close on March 31 of the year in which the Interconnection Studies are performed. In the event that any date set for in this section is not a Business Day, then the applicable date shall be the next Business Day thereafter.

The Distribution Provider may change the Cluster Application Window interval and opening or closing dates. Any changes to the Cluster Application Window interval and opening or closing dates will be posted on the Distribution Provider's website. If there is a conflict between the Cluster application Window interval and opening or closing dates posted on the Distribution Provider's website and the dates identified in the paragraph above, the dates posted on the Distribution Provider's website shall control.

5.2 Materials to be Submitted at the Time of the Interconnection Request

The Interconnection Customer selecting the Cluster Study Process must submit all of the

following materials at the time of the Interconnection Request via the Distribution Provider's online application process:

(i) A completed Interconnection Request in the form of Attachment 2, including requested deliverability status, requested study process (Cluster Study Process), preferred Point of Interconnection and voltage level, and all other technical data required in the Interconnection Request;

(ii) A nonrefundable $800 Interconnection Request fee and Interconnection Study Deposit equal to $50,000 plus $1,000 per MW of electrical output of the Generating Facility, up to a maximum of $250,000; and

(iii) A demonstration of Site Exclusivity. The Site Exclusivity must be demonstrated to exist, at a minimum, through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

5.3 Phase I and Phase II Interconnection Studies Overview

The Interconnection Studies performed under the Cluster Study Process consist of a Phase I Interconnection Study and a Phase II Interconnection Study as set forth in Section 5.8 of this GIP. These Interconnection Studies will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The Phase I and Phase II Interconnection Studies will identify Distribution Provider's Interconnection Facilities, Distribution Upgrades and Reliability Network Upgrades required to mitigate thermal overloads and voltage violations, and address short circuit, stability, and other reliability issues associated with the requested Interconnection Service. The Cluster Study Process may also include operational or other technical studies required to evaluate the interconnection of a Generating Facility to the Distribution System.

5.4 Deliverability Assessment Options for Interconnection Requests Seeking Full Capacity Deliverability Status

For those Interconnection Requests requesting Full Capacity Deliverability Status, the Phase I and Phase II Interconnection Studies will include a Deliverability Assessment as

set forth in GIP Section 5.8.3.2 performed by the ISO, which will identify Delivery Network Upgrades to allow the full output of a Generating Facility selecting Full Capacity Deliverability Status. The Deliverability Assessment, if applicable, will also evaluate the maximum allowed output of the interconnecting Generating Facility without one or more Delivery Network Upgrades in accordance with the On-Peak Deliverability Assessment and Off-Peak Deliverability Assessment set forth in GIP Section 5.8.3.2.

5.5 Validation of Interconnection Request

5.5.1 Acknowledgment of Interconnection Request

Distribution Provider shall provide a first written notification to the Interconnection Customer within ten (10) Business Days of receipt of the Interconnection Request, which notice shall state whether the Interconnection Request is deemed complete and valid.

5.5.2 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be deemed complete until the Distribution Provider determines that the information contained in the Interconnection Request is complete and the Interconnection Customer has provided all items required by Section 5.2. If an Interconnection Request fails to meet the requirements set forth in Section 5.2, Distribution Provider shall include in its notification to the Interconnection Customer under Section.5.5.1 the reasons for such failure. Interconnection Customer shall provide Distribution Provider any additional information needed to constitute a deemed complete request. Whenever the additional information is provided by the Interconnection Customer, the Distribution Provider shall notify the Interconnection Customer within five (5) Business Days of receipt of the additional information and whether the Interconnection Request is now deemed complete. The Interconnection Customer must submit all information necessary to meet the requirements of Section 5.2 no later than twenty (20) Business Days after the close of the applicable Cluster Application Window or ten (10) Business Days after the Distribution Provider

first provided notice that the Interconnection Request was not deemed complete, whichever is later. Interconnection Requests that have not met the requirements of Section 5.2 within twenty (20) Business Days after the close of the applicable Cluster Application Window or ten (10) Business Days after the Distribution Provider first provided notice that the Interconnection Request was not deemed complete, whichever is later, will be deemed incomplete and withdrawn. Such Interconnection Request(s) will not be included in an Interconnection Study Process or otherwise studied. Interconnection Requests deemed incomplete under this Section 5.5.2 are not subject to Section 9.1. Interconnection Customers with deemed incomplete Interconnection Request may also initiate dispute resolution under Section 6.2 by so notifying the Distribution Provider within two (2) Business Days of the notification that the Interconnection Request is deemed incomplete.

5.6 Scoping Meeting

Within ten (10) Business Days after the Distribution Provider notifies the Interconnection Customer of an Interconnection Request that is deemed complete, and ready for study, the Distribution Provider shall establish a date agreeable to the Interconnection Customer and the ISO, if applicable, for the Scoping Meeting. All Scoping Meetings shall occur no later than sixty (60) Calendar Days after the close of the Cluster Application Window, unless otherwise mutually agreed upon by the Parties. The Distribution Provider, in coordination with the ISO, shall determine whether the Interconnection Request is at or near the boundary of an Affected System(s) so as to potentially impact such Affected System(s). If a determination of potential impact is made, the Distribution Provider shall invite the Affected System Operator(s) in accordance with GIP Section 6.9 to the Scoping Meeting by informing them of the time and place of the scheduled Scoping Meeting as soon as practicable.

The purpose of the Scoping Meeting shall be to discuss reasonable Commercial Operation Dates, alternative interconnection options, to exchange information including any distribution data or transmission data that would reasonably be expected to impact

such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection and eliminate unviable alternatives given resources and other available information.

The Distribution Provider will bring to the meeting, as reasonably necessary to accomplish its purpose, the following: (a) already available technical data, including, but not limited to, (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues, and (b) general information regarding the number, location, and capacity of other Interconnection Requests in the Interconnection Study Process that may potentially form a Study Group with the Interconnection Customer's Interconnection Request. The Interconnection Customer will bring to the Scoping Meeting, in addition to the technical data in Appendix A to GIP Attachment 2, any system studies previously performed. The Distribution Provider, the ISO if applicable, and the 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. On the basis of the meeting, the Interconnection Customer shall designate its Point of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

5.7 Generator Interconnection Study Process Agreement

Within sixty (60) Calendar Days of the close of the Cluster Application Window, the Distribution Provider shall provide to each Interconnection Customer that had submitted an Interconnection Request that has been deemed complete in the Cluster Application Window a pro forma Generator Interconnection Study Process Agreement (GISPA) in the form set forth in Attachment 6 of this GIP. Within five (5) Business Days following the Scoping Meeting, the Interconnection Customer shall designate the Point of Interconnection for the Phase I Interconnection Study. Within ten (10) Business Days following the Distribution Provider's receipt of such designation, the Distribution Provider shall provide to the Interconnection Customer a Generator Interconnection Study Process Agreement which shall include the designated Point of Interconnection. The Interconnection Customer shall execute and deliver to the Distribution Provider a

signed Generator Interconnection Study Process Agreement no later than thirty (30) Calendar Days from the receipt of the GISPA.

5.8 Performance of Interconnection Studies

5.8.1 Grouping of Interconnection Requests

At the Distribution Provider's option, and in coordination with the ISO as applicable, an Interconnection Request received during a particular Cluster Application Window may be studied individually (Independent Study Process) or in a Group Study for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study received within the same Cluster Application Window, the Distribution Provider, in coordination with the ISO, may develop one or more Study Groups.

A Study Group will include Interconnection Requests that electrically affect one another with respect to the analysis being performed without regard to the nature of the underlying Interconnection Service. Grouping of Interconnection Requests for the purpose of determining Distribution System impacts and mitigation, as determined by the Distribution Provider, may differ from the grouping required for determining impacts and mitigation on the ISO Grid as determined by the Distribution Provider, in coordination with the ISO, given the non-network nature of the Distribution System. The Distribution Provider may also, in coordination with the ISO, as applicable, conduct an Interconnection Study for an Interconnection Request separately (i.e., a cluster of one) to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility from other Generating Facilities with Interconnection Requests in the two Cluster Application Windows for a particular year.

Study Groups will be determined using engineering judgment as to electrical relatedness. Generally, all Interconnection Requests in a given Cluster Application Window that are interconnecting at the distribution feeder level (less than 60kV) up to and including interconnections to the lower-voltage side of the

point of demarcation between the Distribution System and the ISO grid will be included in the same Study Group. Interconnection Requests interconnecting to the ISO Grid (including interconnections at the higher voltage side of the line of demarcation between the Distribution System and the ISO Grid) will be in separate Study Groups (managed by the CAISO) from Interconnection Requests to the Distribution System.

Notwithstanding the structure of the Study Groups, the cost of Network Upgrades required by the Interconnection Studies can be allocated to Interconnection Requests interconnecting to the Distribution System, if such Interconnection Requests to the Distribution System contribute to the need for such Network Upgrades.

5.8.2 Scope and Purpose of the Phase I Interconnection Study

The Phase I Interconnection Study shall (i) evaluate the impact of all Interconnection Requests received during the Cluster Application Windows for a particular year on the Distribution System and ISO Grid, (ii) preliminarily identify the Distribution Upgrades needed to address the impacts on the Distribution System; (iii) preliminarily identify the Network Upgrades needed to address the impacts on the ISO Grid, (iv) preliminarily identify for each Interconnection Request the required Distribution Provider's Interconnection Facilities, (v) assess the Point of Interconnection selected by each Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall system upgrade costs, (vi) establish the maximum cost responsibility for Network Upgrades assigned to each Interconnection Request in accordance with Section 5.8.3, and (vii) provide a good faith estimate of the cost of Distribution Upgrades and Interconnection Facilities for each Interconnection Request. The portion of the Phase I Interconnection Study required to evaluate impacts on the ISO Grid, if applicable, will be conducted in coordination with the ISO in a manner consistent with the procedures set forth in the ISO Tariff GIP.

The Phase I Interconnection Study will consist of a short circuit analysis, a stability analysis to the extent the Distribution Provider and ISO reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, and an On-Peak and Off-Peak Deliverability Assessment(s), as applicable, in accordance with GIP Section 5.8.3.2. The short circuit analysis will include an evaluation of the short circuit duty impacts of all generation interconnecting to the Distribution System on the Transmission System, including generation being studied under the Independent Study Process. The Phase I Interconnection Study will state for each Study Group or Interconnection Request studied individually (i) the assumptions upon which it is based, (ii) the results of the analyses, and (iii) the requirements or potential impediments to providing the requested Interconnection Service to all Interconnection Requests in a Study Group or to the Interconnection Request studied individually. The Phase I Interconnection Study will provide, without regard to the requested Commercial Operation Dates of the Interconnection Requests, a list of Distribution Upgrades and Network Upgrades that are preliminarily identified as required as a result of the Interconnection Requests in a Study Group or as a result of any Interconnection Request studied individually, along with the Distribution Provider's Interconnection Facilities associated with each Interconnection Request.

5.8.3 Identification and Cost Allocation Methods for Network Upgrades and Distribution Upgrades in Phase I Interconnection Study

5.8.3.1 Reliability Network Upgrades

The Distribution Provider, in coordination with the ISO, will perform short circuit and stability analyses for each Interconnection Request either individually or as part of a Group Study to preliminarily identify the Reliability Network Upgrades, if any, needed to interconnect the Generating Facilities to the Distribution System. The Distribution Provider, in coordination with the ISO, shall also perform power flow

analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a Group Study to identify reliability criteria violations, including applicable thermal overloads, that must be mitigated by Reliability Network Upgrades. The estimated costs of short circuit related Reliability Network Upgrades identified through a Group Study shall be assigned to all Interconnection Requests in that Study Group pro rata on the basis of the short circuit duty contribution of each Generating Facility. The estimated costs of all other Reliability Network Upgrades identified through a Group Study shall be assigned to all Interconnection Requests in that Study Group pro rata on the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request. The estimated costs of Reliability Network Upgrades identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request.

5.8.3.2 Delivery Network Upgrades

5.8.3.2.1 The On-Peak Deliverability Assessment

An On-Peak Deliverability Assessment will be performed, in coordination with the ISO, for Interconnection Customers selecting Full Capacity Deliverability Status in their Interconnection Requests. The On-Peak Deliverability Assessment shall determine the Interconnection Customer's Generating Facility's ability to deliver its Energy to the ISO Grid under peak load conditions, and identify preliminary Delivery Network Upgrades required to provide the Generating Facility with Full Capacity Deliverability Status. The preliminary Delivery Network Upgrades identified by the On-Peak Deliverability Assessment will be used to establish

the maximum cost responsibility for Delivery Network Upgrades for each Interconnection Customer selecting Full Capacity Deliverability Status. Deliverability of a new Generating Facility will be assessed on the same basis as all other existing resources interconnected to the Distribution System or ISO Grid.

The On-Peak Deliverability Assessment will identify the Delivery Network Upgrades that are required to enable the Generating Facility of each Interconnection Customer requesting Full Capacity Deliverability Status to meet the requirements for deliverability. Deliverability requires that the Generating Facility Capacity, as set forth in the Interconnection Request, can be delivered to the aggregate of Load (as defined in the ISO Tariff) on the ISO Grid, consistent with reliability criteria, under ISO Grid peak load and contingency conditions, and assuming the aggregate output of existing Generating Facilities with established Net Qualifying Capacity (as defined in the ISO Tariff) values and other Generating Facilities in the Interconnection Study Process seeking Full Capacity Deliverability Status identified within the On-Peak Deliverability Assessment based on the effect of transmission constraints.

The On-Peak Deliverability Assessment will further include an analysis to estimate the MW of deliverable generation capacity for the individual or Study Group if the highest cost Delivery Network Upgrade component was removed from the preliminary Delivery Network Upgrade plan, or, at the Distribution Provider's and ISO's sole discretion, if any other identified Delivery Network Upgrade component(s) was removed from the preliminary Delivery Network Upgrade plan. This information is provided to allow Interconnection Customers to address at the Results Meeting

potential modifications under GIP Section 5.11.2 or change the Interconnection Request's Full Capacity Deliverability Status for purposes of financing under GIP Section 8.3.

The methodology for the On-Peak Deliverability Assessment will be as set forth in the ISO Tariff. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or delivery point on the ISO Grid or Distribution System.

The estimated costs of Delivery Network Upgrades identified in the On-Peak Deliverability Assessment shall be assigned to all Interconnection Requests selecting Full Capacity Deliverability Status based on the flow impact of each such Generating Facility on the Delivery Network Upgrades as determined by the generation distribution factor methodology set forth in the ISO Tariff GIP.

5.8.3.2.2 The Off-Peak Deliverability Assessment

An Off-Peak Deliverability Assessment will be performed, in coordination with the ISO, for Interconnection Customers selecting Full Capacity Deliverability Status in their Interconnection Requests to determine Delivery Network Upgrades in addition to those identified in the On-Peak Deliverability Assessment, if any, for a Group Study or individual Phase I Interconnection Study that includes one or more Location Constrained Resource Interconnection Generators (LCRIG) as defined in the ISO Tariff, where the fuel source or source of energy for the LCRIG substantially occurs during off-peak conditions. Delivery Network Upgrades will be identified under this Section to ensure that the full maximum megawatt electrical output of each proposed new

LCRIG or the amount of megawatt increase in the generating capacity of each existing LCRIG as listed by the Interconnection Customer in its Interconnection Request, whether studied individually or as a Study Group, is deliverable to the aggregate of Load on the ISO Grid under the Generation dispatch conditions studied. The methodology for the Off-Peak Deliverability Assessment will be published pursuant to the ISO Tariff.

At the Distribution Provider's and ISO's discretion, an additional Off-Peak Deliverability Assessment may be performed to estimate the MW of deliverable generation capacity from the LCRIG studied individually or from the Study Group if the highest cost, or any other, Delivery Network Upgrade component were removed from the preliminary Delivery Network Upgrade plan. This information is provided to allow Interconnection Customers to address at the Results Meeting potential modifications under GIP Section 5.11.2 or change the Interconnection Request's Full Capacity Deliverability Status for purposes of financing under GIP Section 8.3.

The estimated costs of Delivery Network Upgrades identified in the Off-Peak Deliverability Assessment shall be assigned to each Interconnection Request included in the Study Group or studied individually based on the flow impact of each such LCRIG on the Delivery Network Upgrades as determined by the generation distribution factor methodology set forth in ISO Tariff GIP.

5.8.3.3 Distribution Upgrades

The Distribution Provider will perform short circuit analyses and stability analyses, if required, for each Interconnection Request either individually or as part of a Study Group to preliminarily identify the Distribution

Upgrades needed to interconnect the Generating Facility to the Distribution System. The Distribution Provider shall also perform power flow analyses under a variety of system conditions, for each Interconnection Request either individually or as part of a Study Group to identify reliability criteria violations on the Distribution System, including applicable thermal overloads, that must be mitigated by Distribution Upgrades. The estimated costs of Distribution Upgrades identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request. The estimated costs of Distribution Upgrades identified through a Group Study shall be assigned to all Interconnection Requests in that Study Group pro rata based on each Interconnection Request's contribution to the need for the upgrade.

5.9 Costs Identified in the Phase I Interconnection Study Form the Basis of Interconnection Financial Security

The costs assigned to Interconnection Customers for Network Upgrades under this GIP Section 5.8.3.1 and Section 5.8.3.2 shall establish the maximum value for the Interconnection Financial Security required from each Interconnection Customer under GIP Section 5.23 for such Network Upgrades. In contrast, the costs assigned to Interconnection Customers for Distribution Provider's Interconnection Facilities and Distribution Upgrades under GIP Section 5.8.2 and Section 5.8.3.3 are estimates only that establish the basis for the initial Interconnection Financial Security required from each Interconnection Customer under GIP Section 5.23.

5.10 Phase I Interconnection Study Procedures

The Distribution Provider shall coordinate the Phase I Interconnection Study with the ISO pursuant to GIP Section 6.9, as applicable, and any Affected System Operator that is affected by the Interconnection Request pursuant to GIP Section 6.9. Existing studies shall be used to the extent practicable when conducting the Phase I Interconnection Study. The Distribution Provider will coordinate Base Case development with the ISO, as

applicable, to ensure the Base Cases are accurately developed for the assessment of impacts on the ISO Grid. Interconnection Requests from the two most recent Cluster Application Windows, as set forth in GIP Section 5.1 with deemed complete Interconnection Requests and executed Generator Interconnection Study Process Agreements shall be included in the Phase I Interconnection Study. The Distribution Provider shall use Reasonable Efforts to ensure all necessary project information is provided to the ISO in a timely manner so the Phase I interconnection Study may be started by the date determined by the ISO each year, and to complete and publish to Interconnection Customers the Phase I Interconnection Study report within one hundred seventy (170) Calendars Days after the annual commencement of the Phase I Interconnection Study; however, each individual study or Group Studies may be completed prior to this maximum time where practicable based on factors, including, but not limited to, the number of Interconnection Requests received in the two associated Cluster Application Windows, study complexity, and reasonable availability of subcontractors as provided under GIP Section 6.12. The Distribution Provider will share applicable study results with the ISO and Affected System Operators, if applicable, for review and comment and will incorporate comments into the final study report. The Distribution Provider will issue a final Phase I Interconnection Study report to the Interconnection Customer and a copy of the final Phase I study report to the ISO and Affected System Operators, if applicable. At the time of completion of the Phase I Interconnection Study, the Distribution Provider may, at the Interconnection Customer's request, determine whether the provisions of GIP Section 5.18 apply.

If at any time the Distribution Provider determines that it will not meet the required time frame for completing the Phase I Interconnection Study due to the large number of Interconnection Requests in the two associated Cluster Application Windows, study complexity, coordination with the ISO Tariff GIP study processes, or unavailability of subcontractors on a reasonable basis to perform the study in the required time frame, the Distribution Provider shall notify the Interconnection Customer(s) as to the schedule status of the Phase I Interconnection Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, the Distribution Provider shall provide the Interconnection Customer all supporting documentation, work papers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Phase I Interconnection Study, subject to confidentiality arrangements as outlined in GIP Section 6.5.

5.11 Phase I Interconnection Study Results Meeting

Within thirty (30) Calendar Days of providing the final Phase I Interconnection Study report to the Interconnection Customer; the Distribution Provider, the ISO and any Affected System Operators, if applicable, and the Interconnection Customer shall hold a Results Meeting to discuss the results of the Phase I Interconnection Study, including assigned cost responsibility.

5.11.1 Commercial Operation Date

At the Results Meeting, the Interconnection Customer shall provide a schedule outlining key milestones including environmental survey start date, expected environmental permitting submittal date, expected procurement date of project equipment, back-feed date for project construction, and expected project construction date. This will assist the parties in determining if proposed Commercial Operation Dates are reasonable. If large-scale Distribution Provider's Interconnection Facilities or Distribution Upgrades for the Generating Facility have been identified in the Phase I Interconnection Study, such as telecommunications equipment to support a possible special protection system (SPS), distribution feeders to support back feed, a new substation, and/or expanded substation work, permitting and material procurement lead times may result in the need to alter the proposed Commercial Operation Date. The Parties may agree to a new Commercial Operation Date. In addition, where an Interconnection Customer intends to establish Commercial Operation separately for different Electric Generating Units or project phases at its Generating Facility, it may only do so in accordance with an implementation plan agreed to in advance

by the Distribution Provider and ISO, if applicable, which agreement shall not be unreasonably withheld. Where the parties cannot agree to a revised Commercial Operation Date, the Commercial Operation Date determined reasonable by the Distribution Provider, in coordination with the ISO, if applicable, will be used for the Phase II Interconnection Study where the revised Commercial Operation Date is needed to accommodate the anticipated completion, assuming Reasonable Efforts by the Distribution Provider, of necessary Distribution Upgrades, Reliability Network Upgrades and/or Distribution Provider's Interconnection Facilities, pending the outcome of any relief sought by the Interconnection Customer under GIP Section 6.2. The Interconnection Customer must notify the Distribution Provider within five (5) Business Days following the Results Meeting if it is initiating dispute procedures under GIP Section 6.2.

5.11.2 Modifications in between the Phase I and Phase II Interconnection Studies

At any time during the course of the Interconnection Studies, the Interconnection Customer, the Distribution Provider, or the ISO, as applicable, may identify changes to the planned interconnection that may improve the costs and benefits, including reliability of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Distribution Provider, the ISO as applicable, and Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

At the Phase I Interconnection Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the publication of the final Phase I Interconnection Study, but no later than five (5) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to Distribution Provider, in writing, modifications to any information

provided in the Interconnection Request. The Distribution Provider will forward the Interconnection Customer's request for modification to the ISO, if applicable, within two (2) Business Days of receipt.

Modifications permitted under this Section shall include specifically: (a) a decrease in the electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For any modification other than these, the Interconnection Customer may first request that Distribution Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Distribution Provider, in coordination with the ISO if applicable, and any Affected System Operator if applicable, 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 for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this GIP Section 5.11.2, shall constitute a Material Modification. Interconnection Customer may then either withdraw the Interconnection Request with the proposed modification or proceed with a new Interconnection Request for such modification. The Interconnection Customer shall remain in the Interconnection Study Process and be eligible for the Phase II Interconnection Study if the modifications are in accordance with this Section 5.11.2 and are not deemed Material Modifications.

5.12 Initial Financial Security Posting

Following completion of the Phase 1 Study, the Interconnection Customer must post an initial Interconnection Financial Security pursuant to Section 6.9 of this GIP in order to remain in the Interconnection Cluster Study Process.

5.13 Scope of Phase II Interconnection Study

Within five (5) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to the Distribution Provider the completed form of Appendix B to Attachment 6 ("Data Form To Be Provided by the Interconnection Customer Prior to Commencement of the Phase II Interconnection Study") to its Generator Interconnection Study Process Agreement, a pro forma version of which is Attachment 6 to this GIP. Within such Appendix B to Attachment 6, the Interconnection Customer shall either (i) confirm the desired deliverability status that the Interconnection Customer had previously designated in the completed form of Appendix A to Attachment 6 to the Generator Interconnection Study Process Agreement ("Assumptions Used in Conducting the Phase I Interconnection Study"); or (ii) change the status of desired deliverability from Full Capacity Deliverability Status to Energy-Only Deliverability Status.

The Distribution Provider, in coordination with the ISO, as applicable, will conduct a Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous Phase I Interconnection Study. The Phase II Interconnection Study shall (i) update, as necessary, analyses performed in the Phase I Interconnection Study to account for the withdrawal of Interconnection Requests or other projects in the Interconnection Study Process, (ii) identify Distribution Upgrades needed to physically interconnect the Generating Facility, (iii) assign cost responsibility for the Distribution Upgrades, (iv) identify final Reliability Network Upgrades needed to physically interconnect the Generating Facilities, (v) allocate estimated cost responsibility for financing the identified final Reliability Network Upgrades, (vi) identify, following coordination with the ISO's transmission planning process, final Delivery Network Upgrades needed to interconnect those Generating Facilities selecting Full Capacity Deliverability Status, (vii) allocate estimated cost responsibility for financing Delivery Network Upgrades needed to interconnect those Generating Facilities selecting Full Capacity Deliverability Status, (viii) identify for each Interconnection Request a final Point of Interconnection and Distribution Provider's Interconnection Facilities, (ix)

provide an estimate for each Interconnection Request of the Distribution Provider's Interconnection Facilities, and (x) optimize in-service timing requirements based on operational studies in order to maximize achievement of the Commercial Operation Dates of the Generating Facilities, as applicable.

With respect to the foregoing items, the Phase II Interconnection Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the updated Phase II Interconnection Study technical analyses in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Distribution System. The Phase II Interconnection 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

5.14 Phase II Interconnection Study Procedures

Distribution Provider shall coordinate the Phase II Interconnection Study with the ISO pursuant to GIP Section 6.9, and any Affected System Operator that is affected by the Interconnection Request pursuant to GIP Section 6.9. Distribution Provider shall utilize existing studies to the extent practicable in conducting the Phase II Interconnection Study. Distribution Provider will coordinate Base Case development with the ISO to ensure the Base Cases are accurately developed for the assessment of impacts on the ISO Grid. The Distribution Provider shall use Reasonable Efforts to ensure all necessary project information is provided to the ISO in a timely manner so the Phase II Interconnection Study may be started by the date determined by the ISO each year, and to complete and distribute to Interconnection Customers the Phase II Interconnection Study report within two hundred five (205) Calendar Days after the annual commencement of the Phase II Interconnection Study. The Distribution Provider will share the applicable study results with the ISO and any Affected System Operator, if applicable, for review

and comment, and will incorporate comments into the final study report. The Distribution Provider will issue a final Phase II Interconnection Study report to Interconnection Customer, and a copy of the final report to the ISO and any Affected System Operator, if applicable.

At the request of Interconnection Customer or at any time Distribution Provider determines that it will not meet the required time frame for completing the Phase II Interconnection Study, Distribution Provider shall notify Interconnection Customer as to the schedule status of the Phase II Interconnection Study and provide an estimated completion date. If the Distribution Provider is unable to complete the Phase II Interconnection Study, such notice shall provide an explanation of the reasons why additional time is required.

Upon request of the Interconnection Customer, Distribution Provider shall provide Interconnection Customer all supporting documentation, work papers, and relevant pre-Interconnection Request and post-Interconnection Request power, short circuit and stability databases for the Phase II Interconnection Study, subject to confidentiality arrangements consistent with GIP Section 6.5.

5.15 Coordination of the Phase II Interconnection Study with the ISO's Transmission Planning Process

The Distribution Provider, in cooperation with the ISO, shall coordinate the analysis of impacts on the ISO Grid under the Phase II Interconnection Studies with the ISO's transmission planning process in accordance with the ISO Tariff.

5.16 Financing of Distribution Upgrades

The responsibility to finance Distribution Upgrades identified in the Phase II Interconnection Study or an Interconnection Request studied separately shall be assigned solely to that Interconnection Request. The responsibility to finance Distribution Upgrades identified through a Group Study in the Phase II Interconnection Study shall be assigned to all Interconnection Requests in that Study Group pro rata on the basis of the

each Interconnection Request's contribution to the need for the Distribution Upgrade.

5.17 Financing of Reliability Network Upgrades

The responsibility to finance Reliability Network Upgrades identified in the final Phase II Interconnection Study of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request up to the cost assignment for Reliability Network Upgrades under Section 5.8.3.1. The responsibility to finance final short circuit related Reliability Network Upgrades identified through a Group Study in the Phase II Interconnection Study shall be assigned to all Interconnection Requests in that Study Group pro rata on the basis of short circuit duty contribution of each Generating Facility up to the cost assignment for Reliability Network Upgrades under Section 5.8.3.1. The responsibility to finance all other Reliability Network Upgrades identified through a Group Study in the final Phase II Interconnection Study shall be assigned to all Interconnection Requests in that Study Group pro rata on the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request up to the cost assignment for Reliability Network Upgrades under Section 5.8.3.1.

5.18 Financing of Delivery Network Upgrades

The responsibility to finance all Delivery Network Upgrades identified in the On-Peak Deliverability Assessment and Off-Peak Deliverability Assessment as part of Phase II Interconnection Study shall be assigned to all Interconnection Requests selecting Full Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology set forth in the On-Peak and Off-Peak Deliverability Assessment methodologies. The financing responsibility shall be up to, but no greater than, the cost assignment for Delivery Network Upgrades for each Interconnection Request under Sections 5.8.3.2.1 and 5.8.3.2.2.

5.19 Accelerated Phase II Interconnection Study Process

The Phase II Interconnection Study shall be completed within one hundred fifty (150) Calendar Days following the posting of the initial Interconnection Financial Security under GIP Section 5.23.2 where the Interconnection Request meets the following criteria: (i) the Interconnection Request is no longer grouped with any other Interconnection Requests as a result of Phase I Interconnection Study withdrawals.

In addition to the above criteria, the Distribution Provider may apply to FERC in coordination with the Interconnection Customer and ISO, as applicable, for a waiver of the timelines in this GIP to meet the schedule required by an order, ruling, or regulation of the Governor of the State of California, the California Public Utilities Commission, or the California Energy Commission.

5.20 Phase II Interconnection Study Results Meeting

Within thirty (30) Calendar Days of providing the final Phase II Interconnection Study report to Interconnection Customer; the Distribution Provider, the ISO, any Affected System Operator, if applicable, and Interconnection Customer shall meet to discuss the results of the Phase II Interconnection Study, including selection of the final Commercial Operation Date.

5.21 Second Interconnection Financial Security Posting

Following completion of the Phase 2 Study, the Interconnection Customer must post an initial Interconnection Financial Security pursuant to Section 6.9 of this GIP in order to remain in the Interconnection Cluster Study Process.

5.22 Re-Evaluation of Network Upgrades and/or Distribution Upgrades Following Phase II Study

If an assessment following the issuance of the final Phase II Interconnection Study is required to re-evaluate an Interconnection Customer's required Distribution Upgrades and/or Network Upgrades due to a project withdrawal, Distribution Provider shall so

notify the Interconnection Customer in writing. Such re-evaluation shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of the re-evaluation shall be borne by the Interconnection Customer being re-evaluated.

5.23 Additional Deliverability Assessment Options

5.23.1 One-Time Full Capacity Deliverability Study

(No longer used.)

5.23.2 Annual Full Capacity Deliverability Study (AFCDS)

A Generating Facility previously studied as Energy-Only Deliverability Status under the GIP, Rule 21 (export), or any approved predecessor interconnection procedures will have an annual option to be studied to determine whether it can be designated for Full Capacity Deliverability Status using available transmission capacity (i.e. with no responsibility to finance delivery network upgrades). An Interconnection Customer must make a request for such a study within a Cluster Application Window, beginning with the Cluster Application Window closing on March 31, 2012. The Annual Full Capacity Deliverability Study will be performed for any Interconnection Customer selecting this option immediately following the Phase II Interconnection Studies associated with the Queue Cluster during which the Interconnection Customer submits its request typically June through August annually.

5.23.2.1 Request for Participation in the Annual Full Capacity Deliverability Study

Interconnection Customers that wish to participate in the Annual Full Capacity Deliverability Study must submit an Interconnection Request as set forth in Appendix 1 to the GIP along with a non-refundable $10,000 study fee.

5.23.2.2 Performance of the Annual Full Capacity Deliverability Study

After allocating transmission system capability, including capability associated with both existing capability and capability relating to approved transmission upgrades to Interconnection Customers in the Cluster Study Process that originally requested Full Capacity Deliverability Status in the Phase II Interconnection Study, the ISO, in consultation with the Distribution Provider, will perform additional studies using the Deliverability Assessment procedures set forth in Section 5.8.3.2 of this GIP to determine the availability of any remaining Transmission System capability for those Interconnection Customers requesting Full Capacity Deliverability Status as part of the Annual Full Capacity Deliverability Study process described in this Section 5.22.2.

If there is sufficient available transmission capability for the Interconnection Customer to deliver the full output of its Generating Unit, then the Interconnection Customer's Generating Facility will be considered to have Full Capacity Deliverability Status.

5.23.2.3 Priority

In determining available transmission capability, priority will be given to Interconnection Customers with Generating Facilities that have the lowest generation distribution factors, calculated according to the Deliverability Assessment procedures set forth in Section 5.8.3.2 of this GIP.

5.23.2.4 Partial Deliverability Based on Available Transmission Capacity

If the assessment of available transmission capability conducted under this GIP Section 5.22.2 indicates that there is some transmission capacity available for use by the Interconnection Customer, but less than is necessary to deliver the full output of the Interconnection Customer's Generating Facility, then the Interconnection Customer's Generating

Facility will be considered to be partially deliverable, and the amount of transmission capability made available to that Interconnection Customer's Generating Facility will be equal to the determination of available transmission capability for the Generating Facility rounded down to the nearest MW increment.

5.23.2.5 Study Costs

The Distribution Provider and the CAISO shall execute any necessary agreements for reimbursement of study costs incurred and to assure cost attribution for any Network Upgrades relating to any deliverability status conferred to such customers.

5.23.3 Distributed Generation Deliverability Study (DGD)

A Generating Facility previously studied as Energy-Only Deliverability Status under the WDT GIP or Rule 21 (export), or any approved predecessor interconnection procedures have another annual option to be studied to determine whether it can be designated for Full Capacity Deliverability Status using available transmission capacity (i.e. with no responsibility to finance delivery network upgrades). An Interconnection Customer must make a request for such a study within the Application Window defined and announced by the CAISO in late February or early March each year. The Distribution Provider performs the Distributed Generation Deliverability Study according to CAISO Tariff, "Deliverability of Distributed Generation" for any exporting Interconnection Customer selecting this option immediately following the close of the annual application window.

5.23.3.1 Study Costs

There are no Interconnection Study Deposits or fees required to participate in this study process, and no study costs will be charged to the customer for the Distribution Provider's efforts to perform this study process.

5.23.3.2 Applying for the Distributed Generation Deliverability Study Process

The CAISO will release via Market Notice the "Distributed Generation Deliverability Study Results" in late February of each year listing the transmission nodes (substations) studied by the CAISO for excess deliverability capacity available to allocate to other Generating Facilities. Not all substations on this list will have deliverability capacity available to allocate. This is the list against which the Distributed Generation Deliverability study is performed.

Following release of the DGD Study Results, the CAISO will release another Market Notice announcing the DGD Application Window. The Distribution Provider will provide a follow-up notice to Interconnection Customers with active projects that do not yet have Full Capacity Deliverability Status. This notice will include details about the study process, the current year's study schedule, and an application form with instructions for how to complete and submit the application. This application form includes a preliminary eligibility worksheet that must be completed by the Interconnection Customer before completing and submitting the application. This eligibility worksheet will walk the Interconnection Customer through the CAISO eligibility criteria to determine if the Generating Facility in question is eligible to apply for that year's DGD process.

Interconnection Customers that wish to participate in the Distributed Generation Deliverability Study must submit a unique application for each eligible Generating Facility to the Distribution Provider before close of business (Pacific Time) on the last day of the application window announced by the CAISO Market Notice.

5.23.3.3 Performance of the Distributed Generation Deliverability Study

After the close of the annual application window, the Distribution Provider will verify which applications are eligible to participate in this study process based on the criteria defined by the CAISO Tariff and detailed on the application form. The Distribution Provider will notify the Interconnection Customer of this determination on or before the end of the first week following the close of the application window.

Once the Distribution Provider determines the final list of eligible Generating Facilities, the Distribution Provider will allocate the deliverability capacity available at each substation that received an application based on the prioritization requirements described by the CAISO Tariff, and summarized in GIP Section 5.22.3.3.

5.23.3.4 Priority for Allocating Available Deliverability Capacity

For substations with available deliverability capacity that receive only a single DGD application, the applying Generating Facility will receive a deliverability capacity allocation equal to the lesser of (i) the amount of deliverability capacity available at that substation, or (ii) the amount deliverability capacity requested by that Generating Facility, up to the full net generating size of that Generating Facility.

For substations that receive more than one application for the available deliverability capacity, the Distribution Provider first will prioritize those applications in the following manner:

(i) First priority for allocation of available capacity will be given to Generating Facilities that already have achieved commercial operation. Within this group of commercially operating Generating Facilities, the Distribution Provider will allocate available deliverability capacity first to the Generating

Facility with the earliest commercial operation date, followed by allocations to any additional Generating Facilities with more recent commercial operation dates; And

(ii) Second priority for allocation of available capacity will be given to active Generating Facilities in the distribution interconnection queue, based on the assigned queue number. Within this group of projects, the Distribution Provider will allocate available deliverability capacity first to the lowest queued Generating Facility first, followed by allocations to any additional Generating Facilities with more recent, higher interconnection queue numbers.

For this study process, an active project is defined as any Generating Facility that at the least has had its Interconnection Request deemed complete, has been assigned a queue number by the Distribution Provider before the current DGD application window closes, and is actively pursuing interconnection to the Distribution Providers system.

Allocations will be made by the Distribution Provider to eligible and prioritized Generating Facilities by assigning the maximum amount of deliverability capacity to the highest priority Generating Facility in an amount equal to lesser of (i) the amount of deliverability capacity available at that substation, or (ii) the amount of deliverability capacity requested by that Generating Facility, up to the full net generating size of that Generating Facility. If any deliverability capacity remains at the substation after this initial allocation, the same allocation process will be performed with the second priority Generating Facility. This will continue until either the substation deliverability capacity is fully allocated or there are no more Generating Facilities to which capacity may be allocated.

The CAISO reviews the draft deliverability allocations proposed by the

Distribution Provider, providing comments and corrections as needed. Within one week of the final CAISO approval of the allocations, the Distribution Provider will send final results to the Interconnection Customers with eligible Generating Facilities.

5.23.3.5 Partial Deliverability Based on Available Deliverability Capacity

If the allocation of available deliverability capacity conducted under this GIP Section indicates that there is some deliverability capacity available for use by the Interconnection Customer, but less than is necessary to deliver the full output of the Interconnection Customer's Generating Facility, then the Interconnection Customer's Generating Facility will be considered to be partially deliverable.

5.23.3.6 Retaining Deliverability Allocations from this Study Process

Once a deliverability allocation is made to a project under this study process, the Interconnection Customer does not need to reapply to this or any other study process in subsequent years to retain that allocation for this Generating Facility. The Generating Facility will retain its assigned deliverability status for as long as it remains in Commercial Operation.

Generating Facilities that receive only a partial deliverability allocation using this study process may continue to reapply to this study process in subsequent years for the additional deliverability capacity allocation needed to bring the Generating Facility to Full Capacity Deliverability Status, as long as deliverability capacity has been identified and is available for allocation at the applicable substation.

Per CAISO Tariff, any non-commercial Generating Facility that receives a deliverability allocation under this study process must attain commercial operation within three (3) years of the close of the application window for the DGD Study process from which the allocation was received. Failure to achieve commercial operation within that three year

time frame will result in the Generating Facility losing the deliverability capacity allocation received from this study process.

5.24 Final Interconnection Financial Security For Generating Facilities In The Cluster Study Process

The Interconnection Customer must post Final Interconnection Financial Security following execution of the GIA pursuant to Section 6.9 of this GIP in order to remain in the interconnection process. Failure to do so will result in Interconnection Customer Default on the executed Agreement.

5.25 Generator Interconnection Agreement (GIA)

5.25.1 Tender of draft GIA

Within thirty (30) Calendar Days after the Distribution Provider provides the final Phase II Interconnection Study report or Results Meeting if held,, the Distribution Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Distribution Provider's FERC-approved form GIA, which is in Appendix 5 to this GIP. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft GIA and appendices within thirty (30) Calendar Days of receipt of the draft GIA.

5.25.2 Negotiation

Notwithstanding Section 5.24.1, at the request of Interconnection Customer Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after the Distribution Provider provides the Interconnection Customer with the final Phase II Interconnection Study report. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than ninety (90) Calendar Days after the Distribution Provider provides the Interconnection Customer with the final Phase II Interconnection Study report. Distribution Provider shall provide to Interconnection Customer a final GIA

within fifteen (15) Business Days following the completion of the negotiation period.

If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 5.24.3 and request submission of the unexecuted GIA to FERC or initiate Dispute Resolution procedures pursuant to Section 6.2. Unless otherwise agreed by the Parties, if Interconnection Customer requests termination of the negotiations within ninety (90) Calendar Days after issuance of the final Phase II Interconnection Study report, but fails to request either the filing of the unexecuted GIA or to initiate Dispute Resolution, the Interconnection Customer shall be deemed to have withdrawn its Interconnection Request.

5.25.3 Execution and Filing

Interconnection Customer shall either: (i) execute two originals of the tendered GIA and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. As soon as practicable, Distribution Provider shall file the unexecuted GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to the Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted GIA, they may proceed, pending FERC action.

5.25.4 Impact of Executed or Unexecuted GIA on Commencement of Interconnection Activities

Regardless of whether the Interconnection Customer executes the final GIA, or requests submission of an unexecuted GIA, Distribution Provider and

Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC.

5.25.5 Interconnection Customer To Meet Requirements of the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of the GIP and the terms of the Distribution Provider's Interconnection Handbook, the terms in the GIP shall govern.

5.26 Construction of Network Upgrades that are or were an Obligation of an Entity other than Interconnection Customer

The Distribution Provider shall be responsible for financing and constructing the Network Upgrades, that meet conditions as specified below, necessary to support the interconnection of the Generating Facility of an Interconnection Customer with a GIA under this GIP, whenever either:

(i) the Network Upgrades were included in the Base Case for a Phase II Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its equivalent predecessor agreement) filed with FERC, but the Network Upgrades will not otherwise be completed because such GIA or equivalent predecessor agreement was subsequently terminated or the Interconnection Request has otherwise been withdrawn; or

(ii) the Network Upgrades were included in the Base Case for a Phase II Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its

equivalent predecessor agreement) filed with FERC, but the Network Upgrades will not otherwise be completed in time to support the Interconnection Customer's In-Service Date because construction has not commenced in accordance with the terms of such GIA (or its equivalent predecessor agreement). The obligation under this GIP Section 5.25 arises only after the Distribution Provider, in coordination with the ISO, if applicable, determines that the Network Upgrades remain needed to support the interconnection of the Interconnection Customer's Generating Facility notwithstanding, as applicable, the absence or delay of the Generating Facility that is contractually, or was previously contractually, associated with the Network Upgrades.

Further, to the extent the timing of such Network Upgrades was not accounted for in determining a reasonable Commercial Operation Date among the Distribution Provider, ISO, as applicable, and the Interconnection Customer as part of the Phase II Interconnection Study, the Distribution Provider will use Reasonable Efforts to ensure that the construction of such Network Upgrades can accommodate the Interconnection Customer's proposed Commercial Operation Date. If, despite Reasonable Efforts, it is anticipated that the Network Upgrades cannot be constructed in time to accommodate the Interconnection Customer's proposed Commercial Operation Date, the Interconnection Customer may commit to pay the Distribution Provider any costs associated with expediting construction of the Network Upgrades to meet the original proposed Commercial Operation Date. The expediting costs under this GIP Section 5.26 shall be in addition to the Interconnection Customer's cost responsibility assigned under GIP Section 5.8.3.

Section 6. Provisions that Apply to All Interconnection Requests

6.1 Reasonable Efforts

The Distribution Provider shall make reasonable efforts to meet all time frames provided in these procedures, including the payment of refunds, unless the Distribution Provider and the Interconnection Customer agree to a different schedule. If the Distribution

Provider cannot meet a deadline or timeline provided herein, it shall notify the Interconnection Customer, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process.

6.2 Disputes

6.2.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

6.2.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

6.2.3 If the dispute has not been resolved within two (2) Business Days after receipt of the Notice, either Party may contact FERC's Dispute Resolution Service (DRS) for assistance in resolving the dispute.

6.2.4 The DRS will assist the Parties in either resolving their dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. DRS can be reached at 1-877-337-2237 or via the internet at Dispute Resolution Service | Federal Energy Regulatory Commission (ferc.gov)

6.2.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.

6.2.6 If neither Party elects to seek assistance from the DRS, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

6.3 Interconnection Metering

Any metering necessitated by the use of the Generating Facility shall be installed at the Interconnection Customer's expense in accordance with Federal Energy Regulatory

Commission, state, or local regulatory requirements or the Distribution Provider's specifications.

6.4 Commissioning

Commissioning tests of the Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. The Distribution Provider must be given at least fifteen (15) Business Days written notice, or as otherwise mutually agreed to by the Parties, of the tests and may be present to witness the commissioning tests.

6.5. Confidentiality

6.5.1 Confidential information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." All design, operating specifications, and metering data provided by the Interconnection Customer and all Interconnection Studies, including Facility Modifications, and other types of studies specific to a project shall be deemed confidential information regardless of whether it is clearly marked or otherwise designated as such.

6.5.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

6.5.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

6.5.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

6.5.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1 b.20, if FERC, 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 Agreement, the Party shall provide the requested information to FERC, within the time provided for in the request for information. In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC. The Party shall notify the other Party to this Agreement when it is notified by FERC 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 § 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.

6.6 Comparability

The Distribution Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this document. The Distribution Provider shall use the same reasonable efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facility is owned or operated by the Distribution Provider, its subsidiaries or affiliates, or others.

6.7 Record Retention

The Distribution Provider shall maintain for three years records, subject to audit, of all

Interconnection Requests received under these procedures, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

6.8 Generator Interconnection Agreement (GIA)

This section applies to all Interconnection Requests except as described in Section 2 Fast Track Process.

6.8.1 Tender

The Distribution Provider shall tender a draft GIA, together with draft appendices, within thirty (30) Calendar Days of the following:

(i) After the Distribution Provider provides the final Interconnection Facilities Study report (or Interconnection Facilities Study Results Meeting if held); or

(ii) After the Distribution Provider provides the final Interconnection System Impact Study report (or Interconnection System Impact Study Results Meeting if held) if the Interconnection Facilities Study is waived; or

(iii) After the Distribution Provider provides the final Phase II Study report (or Phase II Study Results Meeting if held).

The Distribution Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Distribution Provider's FERC-approved form GIA, which is in Appendix 6 to this GIP. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices within thirty (30) Calendar Days.

6.8.1.1 Rule 21 Interconnection Requests and One-Time Election of WDT GIA

Interconnection Customers with Interconnection Requests originally submitted under CPUC Rule 21 may elect a WDT GIA by notifying the

Distribution Provider in writing after completion of the study process but no later than seven (7) Calendar Days after completion of the ninety (90) Calendar Day negotiation period pursuant to Rule 21, Section F.2.e or Rule 21, Section F.3.e,. or after notice period pursuant to Rule 21, Section 3.3.3 of the Fast Track Interconnection Agreement (Form 79-1144) or Detailed Study Interconnection Agreement. On the date the WDT GIA is executed by the Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the FERC, except as otherwise provided in the WDT GIA. Interconnection Customers converting from CPUC to FERC jurisdiction will be subject to Section 8.6 and will be invoiced for any outstanding charges prior to any construction beginning in accordance with the WDT GIA. Failure to pay such invoices within thirty (30) Calendar Days will result in a Notice of Default.

6.8.1.2 Rule 21 Interconnection Requests under the Transmission Cluster Study Process

Interconnection Requests originally submitted under CPUC Rule 21 that fail Rule 21, Section G.3.a (Screen Q) or elect to be studied under the Transmission Cluster Study Process must file an Interconnection Request under the WDT Cluster Study Process pursuant to Rule 21, Section F.3.d. Upon completion of the Cluster Study Process, an eligible Interconnection Customer may make a one-time election to opt for a Rule 21 GIA by notifying the Distribution Provider in writing no later than seven (7) Calendar Days after the Distribution Provider provides the final Phase II Interconnection Study report to the Interconnection Customer. The draft Rule 21 GIA shall be in the form of Distribution Provider's CPUC-approved form Rule 21 GIA. On the date the Rule 21 GIA is executed by the Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the CPUC, except as otherwise provided in the Rule 21 GIA.

6.8.2 Negotiation

Notwithstanding Section 6.8.1, at the request of Interconnection Customer Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than ninety (90) Calendar Days after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 6.8.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 6.2. If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report, fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 6.2 within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report, it shall be deemed to have withdrawn its Interconnection Request.

6.8.3 Execution and Filing

Interconnection Customer shall either: (i) execute two originals of the tendered GIA and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. As soon as practicable, Distribution Provider shall file the unexecuted GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed upon terms of the unexecuted GIA, they may proceed pending FERC action.

6.9 Interconnection Financial Security Posting Requirements

6.9.1 General Financial Security Posting Requirements

The Interconnection Customer must post Interconnection Financial Security pursuant to the requirements of this section of the GIP in order to remain in the Interconnection Study Process.

Information about the types of Interconnection Financial Securities accepted by the Distribution Provider is provided in Section 6.9.2.

Interconnection Customers with a project being studied under the Fast Track process are only responsible for posting a Final Interconnection Financial Security after execution of the Interconnection Agreement, pursuant to Section 6.9.5.

Interconnection Customers with a project being studied under the Independent Study Process, the Distribution Group Study Process, or the Cluster Study Process must post an Initial Interconnection Financial Security following completion of the first interconnection study (SIS or Phase 1 study) pursuant to Section 6.9.3 in order to remain

in those study processes.

Interconnection Customers with a project that completes a Facilities Study in the Independent Study Process, or a Phase 2 study in either the Distribution Group Study Process or the Cluster Study Process, also must post a Second Interconnection Financial Security pursuant to Section 6.9.4 in order to remain in those study processes

All Interconnection Customers that execute a Generator Interconnection Agreement must post a Final Interconnection Financial Security pursuant to Section 6.9.5 in order to move that project into interconnection engineering, design, and construction activities.

6.9.2 Types of Interconnection Financial Security

For the financial security requirements described in Sections 6.9.3 through 6.9.5, the Interconnection Financial Security posted by an Interconnection Customer may be any combination of the following types of financial instruments, provided in favor of the Distribution Provider:

(i) An irrevocable and unconditional letter of credit issued by a bank or financial institution that has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;

(ii) An unconditional and irrevocable guaranty issued by a company has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;

(iii) A cash deposit standing to the credit of the Distribution Provider and in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to the Distribution Provider.

To the greatest extent possible, the Interconnection Customer will use industry standard forms for the instruments of Interconnection Financial Security used in this Section, such as standard forms used within the financial and electrical industries. The instruments of Interconnection Financial Security listed in this Section shall be in such form and format as the Distribution Provider may reasonably require from time to time by notice to

Interconnection Customers, or in such other form as has been evaluated and approved as reasonably acceptable by the Distribution Provider.

If at any time the guarantor of the Interconnection Financial Security fails to maintain the credit rating required by this Section, the Interconnection Customer shall provide to the Distribution Provider replacement Interconnection Financial Security that meets the requirements of this Section within five (5) Business Days of the change in credit rating.

Interest on a cash deposit standing to the credit of the Distribution Provider in an interest-bearing escrow account under subpart (iii) of this Section will accrue to the Interconnection Customer's benefit.

6.9.3 Initial Posting of Interconnection Financial Security

Interconnection Customers with a project studied in the Fast Track Study process do not need to post an initial Interconnection Financial Security. Please refer to Section 6.9.5 for information about posting the Final Interconnection Financial Security.

For projects being studied under the Independent Study Process, the Distribution Group Study Process, or the Cluster Study Process, the Interconnection Customer must post an Initial Interconnection Financial Security pursuant to this section in order to remain in those study processes.

The Interconnection Customer shall post two separate Interconnection Financial Security instruments, as applicable: (i) a posting relating to the Network Upgrades; and (ii) a posting relating to the Distribution Provider's Interconnection Facilities and Distribution Upgrades. The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

6.9.3.1 Timing of Initial Postings of Interconnection Financial Security

For interconnection projects studied in the Independent Study Process or in the Distribution Group Study Process, this initial financial security posting shall be

made on or before sixty (60) Calendar Days after the Distribution Provider first provides the ISP System Impact Study results or the DGSP Phase 1 study results to the Interconnection Customer.

For interconnection projects studied in the Cluster Study Process, this initial financial security posting shall be made on or before ninety (90) Calendar Days after the Distribution Provider first provides the CSP Phase 1 Study results to the Interconnection Customer.

6.9.3.2 Initial Posting Amounts For Network Upgrades for a Small Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of the following:

(i) Fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the Interconnection System Impact Study or in the Cluster Phase 1 Study (as applicable) for Network Upgrades;

Or

(ii) $20,000 per megawatt of electrical output of the Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request, including any requested modifications thereto.

6.9.3.3 Initial Posting Amounts for Network Upgrades for a Large Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Large Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of the following:

(i) Fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the Interconnection System Impact Study or in the Cluster Phase 1 Study (as applicable) for Network Upgrades;

Or

(ii) $20,000 per megawatt of electrical output of the Large Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request, including any requested modifications thereto;

Or

(iii) $7,500,000.

6.9.3.4 Initial Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades

The Interconnection Customer also shall post an Interconnection Financial Security instrument in the amount of the lesser of:

(i) Twenty percent (20%) of the total estimated cost responsibility assigned to the Interconnection Customer in the Interconnection System Impact Study or in the Cluster Phase 1 Study (as applicable) for the Distribution Provider's Interconnection Facilities and Distribution Upgrades,

Or

(ii) $20,000 per megawatt of electrical output of the Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generation Facility as listed by the Interconnection Customer in its Interconnection Request.

6.9.4 Second Posting of Interconnection Financial Security

Interconnection Customers with a project studied in the Fast Track Study process do not need to post a second Interconnection Financial Security. Please refer to Section 6.9.5 for information about posting the Final Interconnection Financial Security.

Interconnection Customers that have opted to forgo the Facilities Study in the Independent Study Process or the Phase 2 Study in the Distribution Group Study Process and proceed directly to the Interconnection Agreement should refer to Sections 6.9.4.5 and 6.9.5 for instructions for posting the final Interconnection Financial Security instead of this second Interconnection Financial Security.

Following completion of the second interconnection study in the Independent Study Process, the Distribution Group Study Process, or the Cluster Study Process, the Interconnection Customer shall make second postings of two separate Interconnection Financial Security instruments: (i) a second posting relating to the Network Upgrades; and (ii) a second posting relating to the Distribution Provider's Interconnection Facilities and Distribution Upgrades. Instructions for the amounts to be posted are provided in Sections 6.9.4.2 through 6.9.4.4, below. The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

6.9.4.1 Timing of Second Postings of Interconnection Financial Security

For interconnection projects studied in the Independent Study Process or in the Distribution Group Study Process, this second financial security posting shall be made on or before one hundred twenty (120) Calendar Days after the Distribution Provider first provides the ISP Facilities Study results or the DGSP Phase 2 study results to the Interconnection Customer.

For interconnection projects studied in the Cluster Study Process, this second financial security posting shall be made on or before one hundred eighty (180) Calendar Days after the Distribution Provider first provides the Interconnection

Phase 2 Study results to the Interconnection Customer.

6.9.4.2 Second Posting Amounts for Network Upgrades for a Small Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Generating Facility shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for equals the lesser of the following:

(i) $1 million;

Or

(ii) Thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the Interconnection System Impact Study, or Interconnection Facilities Study, whichever is lower.

6.9.4.3 Second Posting Amounts for Network Upgrades for a Large Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Large Generating shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer equals the lesser of the following:

(i) $15 million;

Or

(ii) Thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the Interconnection System Impact Study, or Interconnection Facilities Study, whichever is lower.

6.9.4.4 Second Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades for Interconnection Requests

The Interconnection Customer also shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades equals thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer in the final Interconnection Facilities Study for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

6.9.4.5 Alteration of Second Posting Date due to Early Commencement of Construction Activities

If the start date for Construction Activities of Network Upgrades, Distribution Provider's Interconnection Facilities and Distribution Upgrades on behalf of the Interconnection Customer is prior to the due date for this second interconnection financial security posting, that start date must be set forth in the Interconnection Customer's GIA (in Attachment 4, "Milestones") and the Interconnection Customer shall make its next posting of Interconnection Financial Security pursuant to Section 6.9.5 rather than GIP Section 6.9.4.

6.9.5 Final Posting of Interconnection Financial Security

At least twenty (20) Business Days prior to the start of Construction Activities for Network Upgrades, or Distribution Provider's Interconnection Facilities, or Distribution Upgrades on behalf of the Interconnection Customer, or on or before the financial security posting milestone date agreed to in the executed GIA (no later than one hundred and eighty (180) Calendar Days after the effective date of the GIA), whichever is earlier, the Interconnection Customer shall post/modify two separate Interconnection Financial Security instruments as follows:

(i) With respect to the Interconnection Financial Security instrument for Network

Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the executed Interconnection Agreement.

(ii) With respect to the Interconnection Financial Security instrument for Distribution Provider's Interconnection Facilities and/or Distribution Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Distribution Provider's Interconnection Facilities in the executed Interconnection Agreement.

The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

6.9.6 Consequences for Failure to Post Interconnection Financial Security

Failure to post the first or second Interconnection Financial Security per Sections 6.9.3 or 6.9.4, or notify that the Interconnection Financial Security was posted, within the required timeframe will result in a Notice of Deemed Withdrawn to be sent to the Interconnection Customer per Section 9.1 "Withdrawal" of this GIP.

Failure to post the final Interconnection Financial Security per Section 6.9.5, or notify that the Interconnection Financial Security was posted, within the required timeframe shall constitute breach of the executed GIA, resulting in a Notice of Default to be sent to the Interconnection Customer, per the effective GIA.

6.9.7 General Effect of Withdrawal of Interconnection Request or Termination of the GIA on Interconnection Financial Security

Withdrawal of an Interconnection Request or termination of a GIA shall allow the Distribution Provider to liquidate the Interconnection Financial Security, or balance thereof, posted by the Interconnection Customer for Network Upgrades at the time of

withdrawal. To the extent the amount of the liquidated Interconnection Financial Security plus capital, if any had been separately provided by the Interconnection Customer to satisfy its obligation to finance Network Upgrades in accordance with GIP Section 7.3, exceeds the total cost responsibility for Network Upgrades assigned to the Interconnection Customer by the final Interconnection System Impact Study or Interconnection Facilities Study, whichever is lower, the Distribution Provider shall remit to the Interconnection Customer the excess amount.

Withdrawal of an Interconnection Request or termination of a GIA shall result in the release to the Interconnection Customer of any Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades, except with respect to any amounts necessary to pay for costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer for the Distribution Provider's Interconnection Facilities and Distribution Upgrades and for which the Distribution Provider has not been reimbursed.

Notwithstanding the foregoing in Section 6.9.6, if Interconnection Customer withdraws for the reasons specified in Section 6.9.7.1, the Interconnection Customer may receive partial recovery of its Interconnection Financial Security, as set forth in Section 6.9.7.2.

6.9.7.1 Conditions for Partial Recovery of Interconnection Financial Security Upon Withdrawal of Interconnection Request or Termination of GIA

A portion of the Interconnection Financial Security shall be released to the Interconnection Customer, consistent with GIP Section 6.9.7.2, if the withdrawal of the Interconnection Request or termination of the GIA occurs for any of the following reasons:

(i) Failure to Secure a Power Purchase Agreement.

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has failed to secure an acceptable power purchase

agreement for the Energy or capacity of the Generating Facility after a good faith effort to do so. A good faith effort can be established by demonstrating participation in a competitive solicitation process or bilateral negotiations with an entity other than an Affiliate that progressed, at minimum, to the mutual exchange by all counter-parties of proposed term sheets.

(ii) Failure to Secure a Necessary Permit.

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has received a final denial from the primary issuing Governmental Authority of any permit or other authorization necessary for the construction or operation of the Generating Facility.

(iii) Increase in the Cost of Distribution Provider's Interconnection Facilities or Distribution Upgrades.

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on an increase of: (a) more than 30% or $300,000, whichever is greater, in the estimated cost of Distribution Provider's Interconnection Facilities; or (b) more than 30% or $300,000, whichever is greater, in the estimated cost of Distribution Upgrades allocated to the Interconnection Customer from the Interconnection System Impact Study to the Interconnection Facilities Study. This Section 6.9.7.1 (iii) shall not apply if the cause of the cost increase under 6.9.7.1 (i) or 6.9.7.1 (ii) above is the result of a change requested by the Interconnection Customer pursuant to Section 3.5.8 or 4.11.2 of this GIP, as applicable.

(iv) Material Change in Interconnection Customer's Interconnection Facilities Created by the Distribution Provider's Change in the Point of Interconnection.

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on a material change from the Interconnection System Impact Study in the Point of Interconnection for the Generating Facility mandated by the Distribution Provider and included in the final Interconnection Facilities Study. A material change in the Point of Interconnection shall be where the Point of Interconnection has moved to (a) a different substation, (b) a different line on a different right of way, or (c) a materially different location than previously identified on the same line.

6.9.7.2 Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades

(i) Up to One Hundred Twenty (120) Calendar Days After the Final Interconnection Facilities Study Report.

If, at any time after the initial posting of the Interconnection Financial Security for Network Upgrades under GIP Section 6.9.3 and on or before one hundred twenty (120) Calendar Days after the date the Distribution Provider first issues the Interconnection Facilities Study results, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with GIP Section 6.9.7.1, the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under GIP Section 6.9 and reimburse the Interconnection Customer in an amount of:

(a) any posted amount less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of $10,000 per requested and approved megawatt value of the Generating Facility Capacity at the time of withdrawal being retained by the Distribution Provider), or

(b) if the Interconnection Financial Security has been drawn down to

finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (a) above.

If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (b) above.

(ii) Between One Hundred Eighty-One (181) Calendar Days and After the Final Interconnection Facilities Study Results and the Commencement of Construction Activities. If, at any time between one hundred eighty-one (181) Calendar Days and after the date of issuance of the final Interconnection Facilities Study Report, and the commencement of Construction Activities for either Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with GIP Section 6.9.7.1 the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under GIP Section 6.9 and reimburse the Interconnection Customer in an amount of

(a) any posted amounts less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of $20,000 per requested and approved megawatt value of the Generating Facility Capacity at the time of withdrawal being retained by the Distribution Provider), or

(b) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of the

Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (a) above. If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (b) above.

6.9.7.3 Special Treatment Based on Failure to Obtain Necessary Permit or Authorization from Governmental Authority

If at any time after the posting requirement under GIP Section 6.9, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with GIP Section 6.9.7.1 (ii), and the Delivery Network Upgrades to be financed by the Interconnection Customer under GIP Section 3.10 or 4.17, as applicable, that are also to be financed by one or more other Interconnection Customers, then GIP Section 6.9.7.1 (i) shall apply, except that the Interconnection Customer shall not be reimbursed for its share of any actual costs incurred or irrevocably committed by the Distribution Provider for Construction Activities.

6.9.7.4 No Refund of Interconnection Financial Security if Withdrawal After Commencement of Construction Activities

Except as otherwise provided in GIP Section 6.9.7.3, if Interconnection Customer withdraws its Interconnection Request or terminates the GIA at any time after the commencement of Construction Activities on behalf of the Interconnection Customer for Network Upgrades, Distribution Upgrades, or Distribution Provider's Interconnection Facilities, any withdrawal of the Interconnection Request or termination of the GIA by the Interconnection Customer will be treated in accordance with this GIP

Section 6.9.7.

6.9.7.5 Notification to Interconnection Customer and Accounting by Distribution Provider

The Distribution Provider will notify the Interconnection Customer within three (3) Business Days of liquidating any Interconnection Financial Security. Within seventy-five (75) Calendar Days of any liquidating event, the Distribution Provider will provide the Interconnection Customer with an accounting of the disposition of the proceeds of the liquidated Interconnection Financial Security and remit to the Interconnection Customer all proceeds not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer in accordance with this GIP Section 6.9.

6.10 Coordination with Affected Systems

The Distribution Provider shall 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 these procedures. The Distribution Provider will include such Affected System operators in all meetings held with the Interconnection Customer as required by these procedures. The Interconnection Customer will cooperate with the Distribution 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(s) shall cooperate with the Distribution Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

6.11 Capacity of the Generating Facility

6.11.1 If the Interconnection Request is for an increase in capacity for an existing

Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Generating Facility.

6.11.2 If the Interconnection Request is for a Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.

6.11.3 The Interconnection Request shall be evaluated using the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system. However, if the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Distribution Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the Distribution Provider's system. If the Distribution Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Distribution Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.

6.12 Interconnection Customer To Meet Requirements for the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of the GIP and the terms of the Distribution Provider's Interconnection Handbook, the terms of the GIP shall govern.

6.13 Delegation of Responsibility

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

Section 7. Generally Applicable Provisions for the Letter Agreement

This Section 7 shall apply to Letter Agreements for Interconnection Requests processed under the Cluster Study Process, the Independent Study Process or the Fast Track Process. Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Distribution Provider shall offer the Interconnection Customer, a Letter Agreement that authorizes Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection. However, Distribution Provider shall not be obligated to offer a Letter Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the GIP. The Letter Agreement is an optional procedure. The Letter 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.

Following an Interconnection Customer's request for a Letter Agreement, Distribution Provider shall prepare and tender to the Interconnection Customer a draft Letter Agreement in the form of the Distribution Provider's FERC-approved Letter Agreement as set forth in Attachment J to the GIP, including draft exhibits that include the proposed scope of work, estimated costs, payments, financial security and milestones, as applicable. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft exhibits within thirty (30) Calendar Days. Distribution Provider and Interconnection Customer shall negotiate concerning

any disputed provisions of the exhibits to the draft Letter Agreement for not more than ninety (90) Calendar Days after the Distribution Provider tenders the draft Letter Agreement to the Interconnection Customer. 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 Letter Agreement and request submission of the unexecuted Letter Agreement with FERC or initiate Dispute Resolution procedures pursuant to GIP Section 6.2. If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after the Distribution Provider tenders the draft Letter Agreement to the Interconnection Customer, fails to request either the filing of the unexecuted Letter Agreement or initiate Dispute Resolution, it shall be deemed to have withdrawn its request for a Letter Agreement and the Distribution Provider shall have no further obligation to enter into a Letter Agreement, unless an extension is mutually agreed to by the parties. Distribution Provider shall provide to the Interconnection Customer a final Letter Agreement within fifteen (15) Business Days after the completion of the negotiation process.

Following submission of the final Letter Agreement to the Interconnection Customer, Interconnection Customer shall either: (i) execute two originals of the tendered Letter Agreement and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a Letter Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered Letter Agreement (if it does not conform with a FERC-approved Letter Agreement) or the request to file an unexecuted Letter Agreement, Distribution Provider shall file the Letter Agreement with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the Letter Agreement. An unexecuted Letter Agreement should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request.

If Interconnection Customer executes the final Letter Agreement, Distribution Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the Letter Agreement, subject to modification by FERC. Upon submission of an unexecuted

Letter Agreement, Interconnection Customer and Distribution Provider shall promptly comply with the unexecuted Letter Agreement, subject to modification by FERC.

Section 8. General Provisions Concerning Construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades. General Provisions Concerning Funding of Network Upgrades

This Section 8 shall apply, as pertinent, to Interconnection Requests processed under the Cluster Study Process, the Independent Study Process, the Fast Track Process, or the Under 10 kW Inverter Process.

8.1 Schedule

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

8.2 Construction Sequencing

8.2.1 General

In general, the sequence of construction of Distribution Upgrades, Stand Alone Network Upgrades or other Network Upgrades for a single Interconnection Request, or Distribution Upgrades or Network Upgrades identified for the interconnection of Generating Facilities associated with multiple Interconnection Requests, shall be determined, to the maximum extent practical, in a manner that accommodates the proposed Commercial Operation Date set forth in the GIA of the Interconnection Customer(s) associated with the Distribution Upgrades, Stand Alone Network Upgrades or other Network Upgrades.

8.2.2 Advancing Construction of Distribution Upgrades and Network Upgrades that are Part of an Expansion Plan of the Distribution Provider

An Interconnection Customer with a GIA, in order to maintain its In-Service

Date, may request that Distribution Provider advance to the extent necessary the completion of Distribution Upgrades and 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 Distribution Provider or approved ISO transmission plan covering the Distribution Provider's service territory, in time to support such In-Service Date. Upon such request, Distribution Provider will use Reasonable Efforts to advance the construction of such Distribution Upgrades and Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Distribution Provider any associated expediting costs. Interconnection Customer shall be entitled to transmission credits, if any, in accordance with the GIA, for any expediting costs paid for Network Upgrades.

8.3 Network Upgrades

8.3.1 Initial Funding of Network Upgrades

Unless the Distribution Provider elects to fund the full capital for identified Reliability and Delivery Network Upgrades, they shall be funded by the Interconnection Customer(s) either by means of drawing down the Interconnection Financial Security or by the provision of additional capital, at each Interconnection Customer's election, up to a maximum amount no greater than that established by the cost responsibility assigned to each Interconnection Customer(s) established under the respective Interconnection Study Process.

Where the Distribution Provider does not elect to fund the full capital for specific Reliability and Delivery Network Upgrades, the Distribution Provider shall be responsible for funding any capital costs for the Reliability and Delivery Network Upgrades that exceed the total cost responsibility for Reliability and Delivery Network Upgrades assigned to the Interconnection Customer(s) under the respective Interconnection Study Process.

(i) Where the funding responsibility for any Reliability Network Upgrade or

Delivery Network Upgrade has been assigned to a single Interconnection Customer in accordance with this GIP, and the Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade or Delivery Network Upgrade, the Distribution Provider shall invoice the Interconnection Customer up to a maximum amount no greater than that established by the cost responsibility assigned to such Interconnection Customer under the respective Interconnection Study Process.

(ii) Where the funding responsibility for a Reliability Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GIP, and the Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade, the Distribution Provider shall invoice each Interconnection Customer for such Reliability Network Upgrade based on the ratio of the maximum megawatt electrical output of each new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed the Generating Facility's Interconnection Request to the aggregate maximum megawatt electrical output of all such new Generating Facilities and increases in the generating capacity of existing Generating Facilities assigned responsibility for such Reliability Network Upgrade. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the cost responsibility for Reliability Network Upgrades assigned to that Interconnection Customer under the respective Interconnection Study Process.

(iii) Where the funding responsibility for a Delivery Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GIP, and the Distribution Provider has elected not to fund the full capital of the Delivery Network Upgrade, the Distribution Provider shall invoice each Interconnection Customer for such Delivery Network Upgrade based on the percentage flow impact of each assigned Generating

Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology as set forth in the ISO Tariff GIP. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the cost responsibility for Delivery Network Upgrades assigned to that Interconnection Customer under the respective Interconnection Study Process.

Any permissible extension of the Commercial Operation Date of a Generating Facility will not alter the Interconnection Customer's obligation to finance Network Upgrades where the Network Upgrades are required to meet the earlier Commercial Operation Date(s) of other Generating Facilities that have also been assigned cost responsibility for the Network Upgrades.

8.3.2 Reimbursement of Network Upgrade Payments after Commercial Operation Date

After receiving Permission to Operate from the Distribution Provider and achieving Commercial Operation of the Generating Facility, the Interconnection Customer shall be entitled to a repayment for the Interconnection Customer's contribution to the cost of Network Upgrades, in accordance with Article 5.2 of the SGIA or Article 11.4 of the LGIA.

Section 9. Generally Applicable Provisions Regarding, Withdrawal, Transferability of Interconnection Request, Use of Study Deposits, Refunds of Study Deposits, and Other Cost Responsibilities

9.1 Withdrawal

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Distribution Provider, and the Distribution Provider will notify the ISO and Affected System Operator(s), if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by the Distribution Provider of a valid Interconnection Request the Interconnection Customer fails to adhere

to the requirements of this GIP, Distribution 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 within five (5) Business Days of the deemed withdrawal. Upon receipt of notice of deemed withdrawal, Interconnection Customer shall have five (5) Business Days in which to either: (i) respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous; or (ii) notify the Distribution Provider of its intent to pursue Dispute Resolution under GIP Section 6.2.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study Process. If an Interconnection Customer disputes the withdrawal and removal from the Interconnection Study Process and has elected to pursue Dispute Resolution as set forth in GIP Section 6.2, Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

In the event of a withdrawal, Distribution Provider, subject to the provisions GIP Section 9.1, shall provide, at Interconnection Customer's request, all information that Distribution Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

9.2 Transferability of Interconnection Request

Prior to execution of a GIA, an Interconnection Customer may transfer its Interconnection Request to another entity only under the following conditions:

(a) The current Interconnection Customer provides Distribution Provider at least fifteen (15) Business Days prior written notice and opportunity to object;

(b) The new entity acquires the specific Generating Facility identified in the Interconnection Request;

(c) The Point of Interconnection does not change; and

(d) The current Interconnection Customer has resolved and paid in full all study and other interconnection costs incurred for the project up to the date of the notice of intent to transfer ownership.

9.3 Use of Interconnection Study Deposit

The Interconnection Study Deposit shall be applied to pay for actual costs incurred by the Distribution Provider, the ISO, or third parties at the direction of the Distribution Provider to perform and administer the Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests.

9.4 Refunds Of Interconnection Study Deposits

9.4.1 Prior to the Execution of the GIA

The Interconnection Study Deposits shall be refundable as follows:

(i) Should an Interconnection Customer withdraw the Interconnection Request, or the Interconnection Request be deemed withdrawn by the Distribution Provider by written notice under Section 9.1 on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the actual costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii);

(ii) Should an Interconnection Customer withdraw the Interconnection Request, or the Interconnection Request be deemed withdrawn by the Distribution Provider by written notice under Section 9.1 more than thirty

(30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Phase I Interconnection Study for Interconnection Requests processed under the Cluster Study Process or the Interconnection System Impact Study for Interconnection Requests processed under the Independent Study Process, the Distribution Provider shall refund to the Interconnection Customer the difference between (a) the Interconnection Customer's Interconnection Study Deposit and (b) the greater of the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit, up to a maximum of $100,000, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii);

(iii) Should an Interconnection Customer withdraw the Interconnection Request, or the Interconnection Request be deemed withdrawn by the Distribution Provider by written notice under Section 9.1 at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Phase I Interconnection Study for Interconnection Requests processed under the Cluster Study Process or the Interconnection System Impact Study for Interconnection Requests processed under the Independent Study Process , the Interconnection Study Deposit shall be non-refundable.

9.4.2 Upon Execution of the GIA

Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution

Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii).

9.5 Responsibility for Actual Costs in Excess of Deposit

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request during an Interconnection Study Process shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that actually have been incurred or irrevocably have been committed to be incurred prior to withdrawal of that Interconnection Request. The Distribution Provider will reimburse the ISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results of studies performed on its behalf.

9.6 Obligation for Study Costs

Except as otherwise provided in GIP Section 9.6, the Distribution Provider shall charge and the Interconnection Customer(s) shall pay the actual costs of the Interconnection Studies. Where an Interconnection Study is performed by means of a Group Study, the cost of the Group Study will be charged pro rata to each Interconnection Request assigned to the Study Group. The cost of Interconnection Studies performed for an individual Interconnection Request, not part of a Group Study, or as part of the Independent Study Process, will be charged solely to the Interconnection Customer that submitted the Interconnection Request.

The Distribution Provider shall issue invoices for Interconnection Studies that shall

include a detailed and itemized accounting of the cost of each Interconnection Study. Whenever the actual cost of performing the Interconnection Studies exceeds the Interconnection Study Deposit, the Interconnection Customer shall pay the undisputed difference in accordance with the Distribution Provider issued invoice within thirty (30) Calendar Days of the invoice date. The Distribution Provider shall not be obligated to continue conducting any interconnection studies nor perform any work toward the project's physical interconnection with the Distribution Provider's Distribution System unless the Interconnection Customer has paid all amounts for Study Costs. Any invoiced study costs still outstanding from the Interconnection Customer at the time the Interconnection Agreement is executed for the Interconnection Customer's project must be paid by the Interconnection Customer no later than the financial security posting milestone negotiated in Attachment 4 of the Interconnection Agreement. Failure to complete payment on those invoices by that date will result in Interconnection Customer default on that executed Agreement.

Any interconnection study costs invoiced to the customer after execution of the Interconnection Agreement must be paid by the Interconnection Customer with thirty (30) Calendar Days of the date of that invoice. Failure to complete payment on these invoices will result in Interconnection Customer default on the executed Agreement.

Attachment 1

Glossary of Terms

10 kW Inverter Process shall mean 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 shall mean 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 (AFCDS) shall mean the annual deliverability study performed by the ISO described in GIP Section 5.22.2, 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.

Area Deliverability Constraint shall mean a transmission system operating limit, that would constrain the deliverability of a substantial number of generators if the CAISO were to assign full capacity or partial capacity deliverability status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Controlled Grid in a total amount that is greater than the TP Deliverability for those areas. May also be a transmission system operating limit that constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process (TPP) portfolio for the entire portfolio area. May also be a transmission system operating limit that constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrade (ADNU) shall mean a transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint. **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 shall mean only Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.

CAISO shall mean California Independent System Operator Corporation. See also ISO.

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 5.1.

Cluster Study Process shall mean the Interconnection Study Process set forth in GIP Section 5.

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

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 shall mean the date on which an Electric Generating Unit at a Generating Facility has received final written Permission to Operate from the Distribution Provider for operation of the generation facilities in parallel with the utility.

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.

CPUC shall mean the California Public Utilities Commission.

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

Deliverability shall mean (1) The annual Net Qualifying Capacity of a Generating Facility, as verified through a Deliverability assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide. (2) The annual Maximum Import Capability of an intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-serving Entities collectively can procure from imports at that intertie to meet their resource adequacy requirements.

Deliverability Assessment(s) shall mean an evaluation of the On-Peak Deliverability Assessment set forth in GIP Section 5.8.3.2.1, and the Off-Peak Deliverability Assessment set forth in GIP Section 5.8.3.2.2 to determine if a Generating Facility or a group of Generating Facilities could provide Energy to the CAISO Controlled Grid and be delivered to the aggregate of Load on the CAISO Controlled Grid at Peak Load, under a variety of severely stressed conditions.

Deliverability Status shall mean an attribute of a Generating Facility that is requested by an Interconnection Customer for the Generating Facility, assigned by the CAISO to the Generating Facility through the GIP, GIDAP or other process specified in the CAISO tariff, and that affects the maximum Net Qualifying Capacity to which the Generating Facility could be entitled.

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. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

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 Group Study Process shall mean the procedure for evaluating an Interconnection Request for a certified Generating Facility that meets the eligibility requirements of Section 4 of the Wholesale Distribution Tariff, Attachment I.

Distribution Owner shall mean 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 shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission 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 shall mean 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 shall mean 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 affect 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).

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

Fast Track Process shall mean the procedure for evaluating an Interconnection Request for a certified Generating Facility that meets the eligibility requirements of section 2.1 and 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 (FCDS) 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 5.8.3.2.1.

Generating Facility shall mean the 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. 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 and Deliverability Allocation Procedures (GIDAP) shall mean the ISO's Generator Interconnection and Deliverability Allocation Procedures (ISO Tariff GIDAP)

Generator Interconnection Procedures (GIP) shall mean either the definition for either ISO's Tariff Generator Interconnection Procedures (ISO Tariff GIP), or Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP).

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 shall mean 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 shall mean 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 Facilities Study Agreement shall mean the agreement between the Interconnection Customer and Distribution Provider for conducting the Interconnection Facilities Study.

Interconnection Financial Security shall mean the financial instrument(s) submitted by the Interconnection Customer to the Distribution Provider prior to the start of any Construction Activities as a security for the Distribution Provider against the estimated costs of the Construction Activities described in the Generator Interconnection Agreement. The Interconnection Customer may post the Interconnection Financial Security using any of the financial instruments listed in the WDT GIP.

Interconnection Handbook shall mean 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 or to the Transmission System, as such handbooks

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(s), the terms in the Generator Interconnection Procedures shall govern.

Interconnection Request shall mean 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 Interconnection Studies described in Attachment I "Generator Interconnection Procedures" of the Wholesale Distribution Tariff.

Interconnection Study Deposit shall mean the cash deposit provided to the Distribution Provider by the Interconnection Customer as a requirement of the GIP for a valid Interconnection Request, this deposit to be used to offset the cost of the Interconnection Studies.

Interconnection Study Process shall mean all requirements, actions, and respective obligations of the Distribution Provider and Interconnection Customer under any of the study processes described in the GIP and applicable to an Interconnection Request submitted to the Distribution Provider.

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.

IRS shall mean the Internal Revenue Service.

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 and Deliverability Allocation Procedures (ISO Tariff GIDAP) shall mean the procedures included in 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. See also GIDAP.

ISO's Generator Interconnection Procedures (ISO Tariff GIP) shall mean the procedures included in 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. See also GIP.

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

Letter Agreement shall mean an agreement that authorizes the Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Local Deliverability Constraint shall mean a transmission system operating limit modeled in the GIDAP study process that would be exceeded if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade (LDNU) shall mean a transmission upgrade or addition identified by the CAISO in the GIDAP Interconnection Study Process to relieve a Local

Deliverability Constraint. **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 shall mean 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 shall mean 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. See also: **Area Delivery Network Upgrades; Delivery Network Upgrades; Local Delivery Network Upgrades; and Reliability Network 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 5.8.3.2.2 of the GIP.

On-Peak Deliverability Assessment shall mean the technical study performed under Section 5.8.3.2.1 of the GIP.

Operating Requirements shall mean any operating and technical requirements that may be applicable due to Regional Transmission Organization, California Independent System Operator, control area, or the Distribution Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

Participating Transmission Owner shall mean an entity which (i) owns, operates, and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities; and (ii) has transferred to the ISO operational control of such facilities and/or entitlements to be made part of the ISO Grid.

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

Phase I Interconnection Study shall mean an 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 set forth in the GIA where the Interconnection Customer's Interconnection Facilities connect to the Distribution Provider's Interconnection Facilities.

Point of Interconnection shall mean the point set forth in the GIA 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 a Letter Agreement under Section 7 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.

Qualifying Capacity shall mean the maximum Resource Adequacy Capacity that a Resource Adequacy Resource may be eligible to provide. The criteria and methodology for calculating the Qualifying Capacity of resources may be established by the CPUC or other applicable Local Regulatory Authority and provided to the CAISO. A resource's eligibility to provide Resource Adequacy Capacity may be reduced below its Qualifying Capacity through the CAISO's assessment of Net Qualifying Capacity.

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 of receipt of the valid Interconnection Request by the Distribution Provider and that is represented by a unique identifying code assigned to each Interconnection Request that is deemed complete.

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.

Resource Adequacy (RA) shall mean a mandatory planning and procurement process to ensure adequate resources to serve all customers in real time. The program requires that Load Serving Entities (LSEs) meet a Planning Reserve Margin for their obligations. The program provides deliverability criteria that each LSE must meet, as well as system and local capacity requirements. Rules are provided for "counting" resources towards meeting resource adequacy obligations. The resources that are counted for RA purposes must make themselves available to the California ISO for the capacity for which they were counted. The ISO's Interim Reliability Requirements Program and the resource adequacy under MRTU tariff provisions are intended to complement the State of California's efforts to implement resource adequacy programs.

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.

Rule 21 shall mean PG&E's Electric Tariff Rule 21.

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

Site Exclusivity is the third option to prove Site Control and applies only in instances when the Interconnection Customer has a business (private) or government agency (public) relationship with the project site's deed holder.

(1) For private land, Site Exclusivity shall mean documentation reasonably demonstrating legal authorization from the land owner showing the Interconnection Customer has either (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, Site Exclusivity shall mean documentation from the governing public agency providing a final, non-appealable permit, license, or other exclusive legal

right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility. Such documentation showing exclusive right to use public land under the management of a Local, State, or Federal agency shall be in a form specified by that agency.

Small Generating Facility shall mean an 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, that has a generating capacity of 20 megawatts (MW) or less..

Smart Inverter shall mean a Generating Facility's inverter that performs functions that when activated can autonomously contribute to grid support during excursions from normal operating voltage and frequency system conditions by providing dynamic reactive/real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands and other functions.

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.

Standard 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 Distribution Provider's Tariff.

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 shall mean 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.

Transmission Control Agreement shall mean ISO FERC Electric Tariff No. 7.

Transmission System shall mean 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. Also known as Permission to Parallel for Test Purposes.

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 shall mean 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.

Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP) shall mean the procedures included in the Distribution Provider's Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider's Distribution System, as such procedures may be modified from time to time, and accepted by the Commission.

Attachment 2

GENERATOR INTERCONNECTION REQUEST

(Online Application)

The following information will be submitted via an online application process at PG&E's Website:

(Note: due to the nature of the online submission, certain information on the online application form may be required.)

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with the Distribution Provider's Distribution System (choose one):
   - ( ) Fast Track Process.
   - ( ) Independent Study Process
   - ( ) Distribution Group Study Process.
   - ( ) Cluster Study Process.
   - ( ) Annual Deliverability Assessment pursuant to GIP Section 4.22.2.

2. This Interconnection Request is for (choose one):

   ( ) A proposed new Generating Facility.

   ( ) An increase in the generating capacity or a Material Modification to an existing Generating Facility.

3. Requested Deliverability Status is for (choose one):

   ( ) Full Capacity (For Independent Study Process and Cluster Study Process only)

   (Note – Deliverability analysis for Independent Study Process is conducted with the next annual Cluster Study – See GIP Section3.4)

   ( ) Energy Only

4. The Interconnection Customer provides the following information:

a. Address or location, including the county, of the proposed new Generating Facility site or, in the case of an existing Generating Facility, the name and specific location, including the county, of the existing Generating Facility;

Project Name: _____

NOTE: The Distribution Provider reserves the right to request the Interconnection Customer change the name of an Interconnection Request to meet the operational needs of the Distribution System.

Project Location:

Street Address: _____

City, State: _____

County: _____

Zip Code: _____

GPS Coordinates (Lat/Long): _____

b. Maximum net megawatt electrical output (as defined by section 2.c of Attachment A to this appendix) of the proposed new Generating Facility or the amount of net megawatt increase in the generating capacity of an existing Generating Facility;

Maximum net megawatt electrical output (MW): _____ ***OR***
Net Megawatt increase (MW): _____

c. Type of project (i.e., gas turbine, hydro, wind, etc.) and general description of the equipment configuration (if more than one type is chosen include net MW for each);

( ) Cogeneration _____ (MW)
( ) Reciprocating Engine _____ (MW)
( ) Biomass _____ (MW)
( ) Steam Turbine _____ (MW)

( ) Gas Turbine _____ (MW)

( ) Wind _____ (MW)

( ) Hydro _____ (MW)

( ) Photovoltaic _____ (MW)

( ) Combined Cycle _____ (MW)

( ) Energy Storage _____ (MW)

( ) Other (please describe): _____ (MW)

_____

General description of the equipment configuration (e.g. number, size, type, etc):

_____

_____

_____

_____

d. Proposed In-Service Date (first date distribution is needed to the facility), Trial Operation date and Commercial Operation Date by day, month, and year and term of service (dates must be sequential):

Proposed In-Service Date: _____

Proposed Trial Operation Date: _____

Proposed Commercial Operation Date: _____

Proposed Term of Service (years): _____

e. Name, address, telephone number, and e-mail address of the Interconnection Customer's contact person (primary person who will be contacted);

Name: _____

Title: _____

Company Name: _____

Street Address: _____

City, State: _____

Zip Code: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

DUNS Number: _____

f. Approximate location of the proposed Point of Interconnection (i.e., specify distribution facility interconnection point name, voltage level, and the location of interconnection):

_____

_____

5. Representative of the Interconnection Customer to contact:

Name: _____

Title: _____

Company Name: _____

Street Address: _____

City, State: _____

Zip Code: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

6. The preparer's electronic certification that all information submitted is true and correct.

7. Pursuant to the online instructions, the Interconnection Customer shall provide:

a. Interconnection Request fee and applicable deposit amount as specified in the GIP,

b. The information requested in Appendix A to this GIP Attachment 2 (Interconnection Request Generating Facility Data),

c. Evidence of Site Exclusivity as specified in the GIP and name(s), address(es) and contact information of site owner(s),

Appendix A To GIP Attachment 2 Interconnection Request

GENERATING FACILITY DATA

Provide this completed form pursuant to the online instructions:

1. **Provide two original prints and one reproducible copy (no larger than 36" x 24") of, or submit electronically, the following:**

   A. Site drawing to scale, showing generator location and Point of Interconnection with the Distribution Provider's Distribution System.

   B. Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required protection devices and circuit breakers. For wind and photovoltaic generator plants, the one line diagram should include the distribution lines connecting the various groups of generating units, the generator capacitor banks, the step up transformers, the distribution lines, and the substation transformers and capacitor banks at the Point of Interconnection with the Distribution Provider's Distribution System.

2. Generating Facility Information

   A. Total Generating Facility rated output (MW): _____

   B. Generating Facility auxiliary Load (MW): _____

   C. Project net capacity (A-B)(MW): _____

   D. Standby Load when Generating Facility is off-line (MW): _____

   E. Number of Generating Units:_____

   (Please repeat the following items for each generator)

   F. Individual generator rated output (MW for each unit): _____

G. Manufacturer and Model Number (of generator or inverter):

_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

H. Year Manufactured: _____

I. Nominal Terminal Voltage (kV): _____

J. Rated Power Factor (%):_____

K. Type (Induction, Synchronous, D.C. with Inverter): _____

L. Phase (three phase or single phase): _____

M. Connection (Delta, Grounded WYE, Ungrounded WYE, impedance grounded):

_____

N. Generator Voltage Regulation Range (+/- %): _____

O. Generator Power Factor Regulation Range: _____

P. For combined cycle plants, specify the plant net output capacity (MW) for an outage of the steam turbine or an outage of a single combustion turbine _____

3. Synchronous Generator – General Information:

(Please repeat the following for each generator model)

A. Rated Generator speed (rpm): _____

B. Rated MVA: _____

C. Rated Generator Power Factor: _____

D. Generator Efficiency at Rated Load (%): _____

E. Moment of Inertia (including prime mover): _____

F. Inertia Time Constant (on machine base) H: _____ sec or MJ/MVA

G. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current): _____

H. Please attach generator reactive capability curves.

I. Rated Hydrogen Cooling Pressure in psig (Steam Units only): _____

J. Please attach a plot of generator terminal voltage versus field current that shows the air gap line, the open-circuit saturation curve, and the saturation curve at full load and rated power factor.

4. Excitation System Information

(Please repeat the following for each generator model)

A. Indicate the Manufacturer _____ and Type_____ of excitation system used for the generator. For exciter type, please choose from 1 to 9 below or describe the specific excitation system.

( ) (1) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is independent of the generator terminal voltage and current.

( ) (2) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is bus fed from the generator terminal voltage.

( ) (3) Rotating DC commutator exciter with non-continuously acting regulator (i.e., regulator adjustments are made in discrete increments).

( ) (4) Rotating AC Alternator Exciter with non-controlled (diode) rectifiers. The regulator power source is independent of the generator terminal voltage and current (not bus-fed).

( ) (5) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers. The regulator power source is fed from the exciter output voltage.

( ) (6) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers.

( ) (7) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from the generator terminal voltage.

( ) (8) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from a combination of generator terminal voltage and current (compound-source controlled rectifiers system.

( ) (9) Other (specify): _____

B. Attach a copy of the block diagram of the excitation system from its instruction manual. The diagram should show the input, output, and all feedback loops of the excitation system.

C. Excitation system response ratio (ASA):_____

D. Full load rated exciter output voltage: _____

E. Maximum exciter output voltage (ceiling voltage):_____

F. Other comments regarding the excitation system? _____

_____

5. Power System Stabilizer Information

(Please repeat the following for each generator model. All new generators are required to install PSS unless an exemption has been obtained from WECC. Such an exemption can be obtained for units that do not have suitable excitation systems.)

A. Manufacturer: _____

B. Is the PSS digital or analog: _____

C. Note the input signal source for the PSS:

( ) Bus frequency____( ) Shaft speed_____( ) Bus Voltage

( ) Other (specify source): _____

D. Please attach a copy of a block diagram of the PSS from the PSS Instruction Manual and the correspondence between dial settings and the time constants or PSS gain.

E: Other comments regarding the PSS:

_____

6. Turbine-Governor Information

(Please repeat the following for each generator model)

Please complete Part A for steam, gas or combined-cycle turbines, Part B for hydro turbines, and Part C for both.

A. Steam, gas or combined-cycle turbines:

(1) List type of unit (Steam, Gas, or Combined-cycle): _____

(2) If steam or combined-cycle, does the turbine system have a reheat process (i.e., both high and low pressure turbines)? _____

(3) If steam with reheat process, or if combined-cycle, indicate in the space provided, the percent of full load power produced by each turbine:

Low pressure turbine or gas turbine: _____%

High pressure turbine or steam turbine: _____%

B. Hydro turbines:

(1) Turbine efficiency at rated load: _____%

(2) Length of penstock: _____ft

(3) Average cross-sectional area of the penstock: _____ft2

(4) Typical maximum head (vertical distance from the bottom of the penstock, at the gate, to the water level): _____ft

(5) Is the water supply run-of-the-river or reservoir: _____

(6) Water flow rate at the typical maximum head: _____ft3/sec

(7) Average energy rate: _____kW-hrs/acre-ft

(8) Estimated yearly energy production: _____kW-hrs

C. Complete this section for each machine, independent of the turbine type.

(1) Turbine manufacturer: _____

(2) Maximum turbine power output: _____MW

(3) Minimum turbine power output (while on line): _____MW

(4) Governor information:

(a) Droop setting (speed regulation): _____

(b) Is the governor mechanical-hydraulic or electro-hydraulic (Electro-hydraulic governors have an electronic speed sensor and transducer.)? ____

(c) Other comments regarding the turbine governor system?

7. Induction Generator Data:

A. Rated Generator Power Factor at rated load: _____

B. Moment of Inertia (including prime mover): _____

C. Do you wish reclose blocking?_____( )Yes _____( )No
Note: Sufficient capacitance may be on the line now, or in the future, and the generator may self-excite unexpectedly.

7a. Wind Generators:

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

Average Site Elevation: _____( )Single Phase_____( )Three Phase

Inverter manufacturer, model name, number, and version:

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

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

_____

Field Volts: _____

Field Amperes: _____

Motoring Power (MW): _____

Neutral Grounding Resistor (If Applicable): _____

I22t 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 100 MVA Base

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet 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.

8. Generator Short Circuit Data

For each generator model, provide the following reactances expressed in p.u. on the generator base:

( ) X"1 – positive sequence subtransient reactance: _____p.u.**

( ) X2 – negative sequence reactance: _____p.u.**

( ) X0 – zero sequence reactance: _____

Generator Grounding (select 1 for each model):

A. ( ) Solidly grounded

B. ( ) Grounded through an impedance

(Impedance value in p.u. on generator base R: _____p.u. X: _____p.u.)

C. ( ) Ungrounded

9. Step-Up Transformer Data

For each step-up transformer, fill out the data form provided in Table 1.

10. Interconnection Facilities Line Data

There is no need to provide data for new lines that are to be planned by the Distribution

Provider. However, for distribution lines that are to be planned by the generation developer, please provide the following information:

Nominal Voltage: _____kV

Line Length: _____miles

Line termination Points: _____

Conductor Type: _____Size: _____

If bundled. Number per phase: _____, Bundle spacing: _____in.

Phase Configuration. Vertical: _____, Horizontal:_____

Phase Spacing: A-B: _____ft.,____B-C: _____ft.,____C-A: _____ft.

Distance of lowest conductor to Ground at full load and 40 C: _____ft

Ground Wire Type: _____ Size: _____ Distance to Ground: _____ft

Attach Tower Configuration Diagram

Summer line ratings in amperes (normal and emergency) _____

Positive Sequence Resistance (R): _____ p.u.** (for entire line length)

Positive Sequence Reactance: (X): _____ p.u.**(for entire line length)

Zero Sequence Resistance (R0): _____ p.u.** (for entire line length)

Zero Sequence Reactance: (X0): _____ p.u.** (for entire line length)

Line Charging (B/2): _____ p.u.**

** On 100-MVA and nominal line voltage (kV) Base

10a. For generators with a collector system, provide collector System Equivalence Impedance Data

Provide values for each equivalence collector circuit at all voltage levels.

Nominal Voltage: _____

Summer line ratings in amperes (normal and emergency) _____

Positive Sequence Resistance (R1): _____ p.u. ** (for entire line length of each collector circuit)

Positive Sequence Reactance: (X1): _____ p.u.** (for entire line length of each collector circuit)

Zero Sequence Resistance (R0): _____ p.u. ** (for entire line length of each collector circuit)

Zero Sequence Reactance: (X0): _____ p.u.** (for entire line length of each collector circuit)

Line Charging (B/2): _____ p.u.** (for entire line length of each collector circuit)

** On 100-MVA and nominal line voltage (kV) Base

11. Inverter-Based Machines

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

_____Cumulative short circuit current from all inverters: _____

_____

Please repeat the following for each inverter model

Inverter manufacturer, model name, number, and version:

_____

_____

_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

Nominal Inverter AC output voltage _____

List of adjustable set points for the protective equipment or software

_____

_____

Harmonics Characteristics

_____

_____

Start-up requirements

_____

Maximum design fault contribution current (with LVRT enabled):

Isc max current during fault detection _____

Duration of Isc max _____

Isc max after fault detection _____

llv max current for low voltage ride through (LVRT) _____

Duration of llv max _____

Attach Manufacturer Technical Data Specification Sheet

Is the inverter capable of providing reactive only current during a system fault that occurs beyond the Point of Interconnection?

If yes, provide the minimum time required before the inverter can return to normal operating mode following the fault clearance.

Will the inverter go into a blocking mode (i.e. connected to the grid but not injecting any current into the grid) during system fault conditions?

Describe the operating conditions wherein the inverter will enter into a blocking mode.

Provide the time duration the inverter remains in the blocking mode before returning to the normal current injecting.

Is the return time programmable? If yes, provide the range for the return time.

Is the inverter capable of being programmed to lock itself out for certain operating conditions? If yes, can the feature be enable or disabled in the field?

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet 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.

11a. Energy Storage

Description of the intended use of the storage system (e.g., export to the grid, peak shaving, load shifting, etc.): _____

Provide the following information for each type of storage device:

Manufacturer and model: _____

Electrical Source Function

Maximum storage MWh capability: _____ MWh

Rated constant MW discharge: _____ MW

Maximum operating constant MW discharge: _____ MW

Specify the devices which will be used to limit the discharge (e.g., inverters, storage control, etc.):_____

_____

_____

Electrical Load Function

Rated charging demand (load): _____ MW

Will the Distribution System be used to charge the storage device (Yes/No):

_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

Primary frequency response operating range for electric storage resources:

Minimum State of Charge: _____

Maximum State of Charge: _____

11b. Voltage/Power Factor Control

Provide a general description of the voltage/power factor control mechanism that will be installed to meet the requirement below. Include a) a list of all devices that will be providing voltage/reactive support, and b) information regarding their operation and control. These devices should be modeled accordingly in the load flow/dynamic models described in section 12.

Reactive Capability Requirements

Synchronous Generators – The Generating Unit will maintain a composite power delivery at continuous rated power output at the terminals of the Electric Generating Unit at a power factor within the range of 0.95 leading to 0.90 lagging.

Asynchronous Generators – The Generating Unit will 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. 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 reactors, or a combination of the two. Refer to FERC Order No. 827 for more detail.

12. Load Flow and Dynamic Models:

Provide load flow model for the generating plant and its interconnection facilities in GE PSLF *.epc format, including new buses, generators, transformers, interconnection facilities. An equivalent model is required for the plant with generation collector systems. This data should reflect the technical data provided in this Attachment A.

For each generator, governor, exciter and power system stabilizer, select the appropriate dynamic model from the General Electric PSLF Program Manual and provide the required input data. The manual is available on the GE website at www.gepower.com. Select the following links within the website: 1) Our Businesses, 2) GE Power Systems, 3) Energy Consulting, 4) GE PSLF Software, 5) GE PSLF User's Manual. Include any user written *.p EPCL files to simulate inverter based plants' dynamic responses (typically needed for inverter based PV/wind plants). Provide a completed *.dyd file that contains the information specified in this section.

There are links within the GE PSLF User's Manual to detailed descriptions of specific models, a definition of each parameter, a list of the output channels, explanatory notes, and a control system block diagram. The block diagrams are also available on the CAISO Website.

If you require assistance in developing the models, we suggest you contact General Electric. Accurate models are important to obtain accurate study results. Costs associated with any changes in facility requirements that are due to differences between model data provided by the generation developer and the actual generator test data, may be the responsibility of the generation developer.

TABLE 1

TRANSFORMER DATA

(Provide for each level of transformation)

UNIT _____

NUMBER OF TRANSFORMERS _____ PHASE _____

RATING	H Winding	X Winding	Y Winding
Rated MVA	_____	_____	_____
Connection (Delta, Wye, Gnd.)	_____	_____	_____
Cooling Type (OA,OA/FA, etc) :	_____	_____	_____
Temperature Rise Rating	_____	_____	_____
Rated Voltage	_____	_____	_____
BIL	_____	_____	_____
Available Taps (% of rating)	_____	_____	_____
Load Tap Changer? (Y or N)	_____	_____	_____
Tap Settings		_____	_____
IMPEDANCE	H-X	H-Y	X-Y
Percent	_____	_____	_____
MVA Base	_____	_____	_____
Tested Taps	_____	_____	_____
WIND RESISTANCE	H	X	Y
Ohms	_____	_____	_____

CURRENT TRANSFORMER RATIOS

H____ X____ Y____ N____

Percent exciting current at 100% Voltage _____110% Voltage _____

Supply copy of nameplate and manufacture's test report when available

Attachment 3

Certification Codes and Standards

IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

UL 1741 Supplement A (with California Requirements) standard for Smart Inverters – applicable to Interconnection Requests received and deemed valid on and after September 9, 2017.

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)

IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

Attachment 4

Certification of Generator Equipment Packages

1.0 Generating Facility equipment proposed for use separately or packaged with other equipment in an interconnection system shall be considered certified for interconnected operation if (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced below by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in GIP Attachment 3, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.

2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the N RTL.

3.0 Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.

4.0 If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.

5.0 Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.

6.0 An equipment package does not include equipment provided by the utility.

7.0 Any equipment package approved and listed in a state by that state’s regulatory body for interconnected operation in that state prior to the effective date of these generator interconnection procedures shall be considered certified under these procedures for use in that state.

Attachment 5

Application, Procedures, and Terms and Conditions for Interconnecting a Certified Inverter-Based Generating Facility No Larger than 10 kW ("10 kW Inverter Process")

1.0 The Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to the Distribution Provider ("Company").

2.0 The Company acknowledges to the Customer receipt of the Application within three (3) Business Days of receipt.

3.0 The Company evaluates the Application for completeness and notifies the Customer within ten (10) Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.

4.0 The Company verifies that the Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the Generator Interconnection Procedures (GIP). The Company has fifteen (15) Business Days to complete this process. Unless the Company determines and demonstrates that the Generating Facility cannot be interconnected safely and reliably, the Company approves the Application and returns it to the Customer. Note to Customer: Please check with the Company before submitting the Application if disconnection equipment is required.

5.0 After installation, the Customer returns the Certificate of Completion to the Company. Prior to parallel operation, the Company may inspect the Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary.

6.0 The Company notifies the Customer in writing that interconnection of the Generating Facility is authorized. If the witness test is not satisfactory, the Company has the right to disconnect the Generating Facility. The Customer has no right to operate in parallel until a witness test has been performed, or previously waived on the Application. The Company is obligated to complete this witness test within ten (10) Business Days of the

receipt of the Certificate of Completion. If the Company does not inspect within ten (10) Business Days or by mutual agreement of the Parties, the witness test is deemed waived.

7.0 Contact Information – The Customer must provide the contact information for the legal applicant (i.e., the Interconnection Customer). If another entity is responsible for interfacing with the Company, that contact information must be provided on the Application.

8.0 Ownership Information – Enter the legal names of the owner(s) of the Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.

9.0 UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation. The certification requirements of UL 1741 Supplement A (with California Requirements) for Smart Inverters shall apply to Applications received and deemed valid on and after September 9, 2017.

Application for Interconnecting a Certified Inverter-Based Generating Facility
No Larger than 10kW

This Application is considered complete when it provides all applicable and correct information required below and the documentation of site control pursuant to Section 1.5 of the GIP. Additional information to evaluate the Application may be required.

Processing Fee

A non-refundable processing fee of $100 must accompany this Application.

Interconnection Customer

Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address:

Contact (if different from Interconnection Customer)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Owner of the facility (include % ownership by any electric utility): _____

Generating Facility Information

Location (if different from above): _____

Electric Service Company: _____

Account Number:_____

Inverter Manufacturer:_____ Model _____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

Nameplate Rating:_____ (kW) _____ (kVA)_____ (AC Volts)

Single Phase_____ Three Phase_____

System Design Capacity:_____ (kW)_____ (kVA)

Prime Mover: Photovoltaic □ Reciprocating Engine □ Fuel Cell □

Turbine □ Other _____

Energy Source: Solar □Wind □ Hydro □ Diesel □ Natural Gas □

Fuel Oil □ Other (describe)_____

Estimated Installation Date: _____ Estimated In-Service Date:_____

The 10 kW Inverter Process is available only for inverter-based Generating Facilities no larger than 10 kW that meet the codes, standards, and certification requirements of Attachments 3 and 4 of the Generator Interconnection Procedures (GIP), or the Distribution Provider has reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate.

List components of the Generating Facility equipment package that are currently certified:

	Equipment Type	Certifying Entity
1.	_____	_____
2.	_____	_____
3.	_____	_____

4. _____ _____

5. _____ _____

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW and return the Certificate of Completion when the Generating Facility has been installed.

Signed: _____

Title: _____ Date: _____

Contingent Approval to Interconnect the Generating Facility

(For Company use only)

Interconnection of the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Company Signature: _____

Title: _____ Date: _____

Application ID number:_____

Company waives inspection/witness test? Yes_____No___

Generating Facility Certificate of Completion

Is the Generating Facility owner-installed? Yes_____ No _____

Interconnection Customer:_____

Contact Person:_____

Address:_____

Location of the Generating Facility (if different from above):

City: _____ State: _____ Zip Code:_____

Telephone (Day):_____ (Evening): _____

Fax: _____ E-Mail Address:_____

Electrician:

Name: _____

Address:_____

City: _____ State: _____ Zip Code:_____

Telephone (Day):_____ (Evening): _____

Fax: _____ E-Mail Address:_____

License number:_____

Date Approval to Install Facility granted by the Company: _____

Application ID number:_____

Inspection:

The Generating Facility has been installed and inspected in compliance with the local building/electrical code of _____

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

_____

Print Name: _____

Date: _____

As a condition of interconnection, you are required to send/fax a copy of this form along with a copy of the signed electrical permit to (insert Company information below):

Name: _____

Company: _____

Address: _____

City, State ZIP: _____

Fax: _____

Approval to Energize the Generating Facility (For Company use only)

Energizing the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW

Company Signature: _____

Title: _____ Date: _____

Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW

1.0 Construction of the Facility

The Interconnection Customer (the "Customer") may proceed to construct (including operational testing not to exceed two hours) the Generating Facility when the Distribution Provider (the "Company") approves the Interconnection Request (the "Application") and returns it to the Customer.

2.0 Interconnection and Operation

The Customer may operate Generating Facility and interconnect with the Company's electric system once all of the following have occurred:

2..1 Upon completing construction, the Customer will cause the Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

2.2 The Customer returns the Certificate of Completion to the Company, and

2.3 The Company has either:

2.3.1 Completed its inspection of the Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Company, at its own expense, within ten (10) Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written statement that the Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

2.3.2 If the Company does not schedule an inspection of the Generating Facility within ten (10) Business Days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or

2.3.3 The Company waives the right to inspect the Generating Facility.

2.4 The Company has the right to disconnect the Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

3.0 Safe Operations and Maintenance

The Customer shall be fully responsible to operate, maintain, and repair the Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4.0 Access

The Company shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Generating Facility at all times. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 Disconnection

The Company may temporarily disconnect the Generating Facility upon the following conditions:

5.1 For scheduled outages upon reasonable notice.

5.2 For unscheduled outages or emergency conditions.

5.3 If the Generating Facility does not operate in the manner consistent with these Terms and Conditions.

5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

6.0 Indemnification

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

7.0 Insurance

The Parties each agree to maintain commercially reasonable amounts of insurance.

8.0 Limitation of Liability

Each party’s liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney’s fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

9.0 Termination

The agreement to operate in parallel may be terminated under the following conditions:

9.1 **By the Customer**

By providing written notice to the Company.

9.2 **By the Company**

If the Generating Facility fails to operate for any consecutive 12 month period or the Customer fails to remedy a violation of these Terms and Conditions

9.3 **Permanent Disconnection**

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Generating Facility.

9.4 **Survival Rights**

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

10.0 **Assignment/Transfer of Ownership of the Facility**

This Agreement shall survive the transfer of ownership of the Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.

Attachment 6

ATTACHMENT 6 to GIP
GENERATOR INTERCONNECTION STUDY PROCESS 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 _____, ("Distribution Provider "). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is requesting a Deliverability Assessment under the Annual Deliverability Assessment pursuant to GIP Section 5.22.2 or Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility under the Cluster Study Process consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

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

WHEREAS, the Interconnection Customer has requested Distribution Provider to perform Interconnection Studies to assess the system impact of interconnecting the Generating Facility to the Distribution System, and any Affected Systems and to specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Distribution Provider’s electric system to physically and electrically connect the Generating Facility to the Distribution Provider’s Distribution System in accordance with Good Utility Practice;

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 Distribution Provider's FERC approved GIP.

2.0 Interconnection Customer elects and Distribution Provider shall cause to be performed Interconnection Studies, including any accelerated Interconnection Study, consistent with the GIP.

3.0 The scope of the Interconnection Studies shall be subject to the assumptions set forth in Appendices A and B to this Agreement.

4.0 The Interconnection Studies will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting, subject to any modifications in accordance with Section 5.11.2 of the GIP and modifications to the proposed Commercial Operation Date of the Generating Facility permitted by the GIP. Distribution Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Studies. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the Interconnection Studies may be modified as specified in the GIP.

5.0 The Interconnection Study report for each Interconnection Study shall provide the information specified in the GIP.

6.0 Interconnection Customer shall provide Interconnection Financial Security in accordance with GIP Section 5.23.2 on or before ninety (90) Calendar Days after publication of the final Phase I Interconnection Study report.

Upon completion of the Interconnection Studies, Distribution Provider shall charge and Interconnection Customer shall pay its pro rata share of the actual costs of the Interconnection Study pursuant to section 9.7 of the GIP.

7.0 The Distribution Provider may provide copies of the Interconnection Studies results to the ISO, an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from any Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection.

8.0 Substantial portions of technical data and assumptions used to perform the Interconnection Studies, such as system conditions, existing and planned generation, and

unit modeling, may change after the Distribution Provider provides the Interconnection Studies results to the Interconnection Customer. Interconnection Studies results will reflect available data at the time the Distribution Provider provides the Interconnection Study reports to the Interconnection Customer. The Distribution Provider shall not be responsible for any additional costs for Distribution Provider's Interconnection Facilities and Distribution Upgrades that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

9.0 The Distribution Provider shall maintain records and accounts of all costs incurred in performing the Interconnection Study in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Distribution Provider's offices and at its own expense, to audit the Distribution Provider's records as necessary and as appropriate in order to verify costs incurred by the Distribution Provider. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Distribution Provider, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Distribution Provider's notification of the final costs of the Interconnection Studies.

10.0 In accordance with Section 8 of the GIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the Distribution Provider. Upon receipt of such notice, this Agreement shall terminate, subject to the requirements of Section 9.3 and 6.5 of the GIP.

11.0 This Agreement shall become effective upon the date the fully executed Agreement is received by the Distribution Provider. If the Distribution Provider does not receive the fully executed Agreement pursuant to Section 5.7 of the GIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the Distribution Provider pursuant to Section 9.1 of the GIP.

12.0 Miscellaneous.

12.1 Dispute Resolution.

12.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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 the GIP.

12.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 12.1.2, the terms of this Section 12.1.2 shall prevail.

12.1.3 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 this Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

12.1.4 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.

12.2 Confidentiality. Confidential Information shall be treated in accordance with Section 6.5 of the GIP.

12.3 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

12.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Agreement or such Appendix to this Agreement, or such Section of the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section, 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".

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

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

12.8 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Termination or default of this Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

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

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

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

12.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations.

12.13 Reservation of Rights. The Distribution Provider shall each have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

12.14 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

12.15 Assignment. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with

an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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.

For: **Pacific Gas and Electric**

Signed by: _____

Printed Name: _____

Position / Title: _____

Date: _____

For: **[Insert full company name]**

Signed by: _____

Printed Name: _____

Position / Title: _____

Date: _____

Appendix A To Attachment 6
Generator Interconnection
Study Process Agreement

ASSUMPTIONS USED IN CONDUCTING THE PHASE I INTERCONNECTION STUDY

The Phase I Interconnection Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on_____, subject to any modifications in accordance with Section 5.11.2 of the GIP, and the following assumptions:

1. Designated Point of Interconnection and configuration to be studied.

_____
_____
_____
_____
_____
_____
_____

2. Deliverability status requested:

☐ Full capacity; or ☐ Energy only

Project Name: _____

Project Queue #: _____

Appendix B to Attachment 6
Generator Interconnection
Study Process Agreement

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER PRIOR TO COMMENCEMENT OF THE PHASE II INTERCONNECTION STUDY

Project Name: _____

Queue #s: _____

1. Generating Facility size (MW):_____
2. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, distribution circuits, etc.
3. One set of metering is required for each generation connection to the new ring bus or existing Distribution Provider station. Number of generation connections: _____
4. On the one line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
5. On the one line diagram indicate the location of auxiliary power. (Minimum load on CT/PT)
6. Will an alternate source of auxiliary power be available during CT/PT maintenance?

   ____Yes ____No
7. 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).
8. What type of control system or PLC will be located at Interconnection Customer's Large Generating Facility?

_____

9. What protocol does the control system or PLC use?

_____

10. Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, distribution line, and property line.
11. Physical dimensions of the proposed interconnection station:

_____

12. Bus length from generation to interconnection station:

_____

13. Line length from interconnection station to Distribution Provider's distribution line.

_____

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

15. Number of third party easements required for distribution lines*:

_____

* To be completed in coordination with Distribution Provider.

16. Is the Generating Facility in the Distribution Provider's service area?

____ Yes ____ No If no, what is the Local provider:

_____

17. Please provide the following proposed schedule dates (as known):

a. Environmental survey start: _____

b. Environmental impact report submittal: _____

c. Procurement of project equipment: _____

d. Begin Construction: _____

e. Generator step-up transformer: _____

f. Receive back feed power: _____

g. Generation Testing: _____

h. Commercial Operation Date: _____

18. Level of ISO Grid Deliverability Desired -- Choose one of the following:

_____ Energy Only

_____ Full Capacity

19. TP Deliverability -- Choose one of the following:

_____ **Option (A)**, which means that the Generating Facility requires TP Deliverability to be able to continue to commercial operation.

_____ **Option (B)**, which means the Interconnection Customer will continue to commercial operation without an allocation of TP Deliverability.

Attachment 7 to the Generator Interconnection Procedures

Interconnection 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 _____, a_____ _____ existing under the laws of the State of_____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the Distribution Provider's Distribution System;

WHEREAS, the Interconnection Customer has requested the Distribution Provider to perform an Interconnection System Impact Study(ies) to assess the impact of interconnecting the Generating Facility with the Distribution Provider's Distribution 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 or the meanings specified in the standard Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause to be performed an Interconnection System Impact Study(ies) consistent with the standard

Generator Interconnection Procedures in accordance with the Wholesale Distribution Tariff.

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

4.0 An Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. The Distribution Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection System Impact Study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

5.0 An Interconnection System Impact Study shall consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews, as necessary. An Interconnection System Impact Study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement 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. An Interconnection System Impact Study shall provide a list of facilities that are required as a result of the Interconnection Request and non-binding good faith estimates of cost responsibility and time to construct.

6.0 An Interconnection System Impact Study shall incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.

7.0 Affected Systems may participate in the preparation of an Interconnection System Impact Study, with a division of costs among such entities as they may agree. All Affected

Systems shall be afforded an opportunity to review and comment upon an Interconnection System Impact Study that covers potential Adverse System Impacts on their electric systems, and the Distribution Provider has twenty (20) additional Business Days to complete an Interconnection System Impact Study requiring review by Affected Systems.

8.0 If the Distribution Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required Distribution Upgrades and Network Upgrades, the Interconnection System Impact Study shall consider all generating facilities (and with respect to paragraph 8.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced:

8.1 Are directly interconnected with the Distribution Provider's electric system; or

8.2 Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and

8.3 Have a pending higher queued Interconnection Request to interconnect with the Distribution Provider's electric system.

9.0 An Interconnection System Impact Study, if required, shall be completed and the results transmitted to the Interconnection Customer within sixty (60) Business Days after this Agreement is signed by the Parties, or in accordance with the Distribution Provider's queuing procedures.

10.0 A deposit of the equivalent of the good faith estimated cost of an Interconnection System Impact Study may be required from the Interconnection Customer.

11.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit with interest within thirty (30) Calendar Days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within thirty (30) Calendar Days of the invoice with interest.

13.0 Reservation of Rights

The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms, and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

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.

Pacific Gas & Electric Company	**[Insert Name of Interconnection Customer]**
Signed _____	Signed _____
Name _____ *(Please Print)*	Name _____ *(Please Print)*
Title _____	Title _____
Date _____	Date _____

Project Name _____

Project Queue _____

Attachment A

to Interconnection System Impact Study Agreement

Assumptions Used in Conducting the Interconnection System Impact Study

The Interconnection System Impact Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with the standard Generator Interconnection Procedures, and the following assumptions:

1) Designate Point of Interconnection and configuration to be studied.

_____

_____

_____

_____

_____

2) Designate possible alternative Point of Interconnection and configuration.

_____

_____

_____

_____

_____

3) Other assumptions (provided by the Distribution Provider).

(a) **General Project Information:** The Interconnection Customer has requested that Pacific Gas and Electric Company (PG&E) perform a System Impact Study (SIS) for its project, (project name), located at (project address) in (county name) County. This project is a proposed (total # MW) MW (per the submitted application) (Select from list) generator to be interconnected with PG&E's distribution system. Under the terms of a Small Generator Interconnection Agreement, all output power will be exported to PG&E's distribution grid.

(b) **Deadline for Returning the Signed Agreement to PG&E:** Per Section 3.5.3 of the Generator Interconnection Procedures (GIP), the Interconnection Customer must execute and return the attached agreement within thirty (30) Business Days from the tendering of this agreement – i.e., by (enter date due).

(c) **Failure to Meet Signature Deadline:** Per Section 3.5.3 of the GIP, if the Interconnection Customer fails to return an executed agreement within those thirty (30) Business Days, the project will be withdrawn from the interconnection queue.

(d) **System Impact Study Schedule:** The general schedule is shown in the table below: The actual milestone dates will be determined based on the date PG&E receives this executed agreement.

Task	Description	Target Date
1	Establish study commencement date based on receipt of signed Study Agreement or receipt of the customer's payment on the SIS invoice, whichever is later.	Within 2 BD of receipt of executed SIS Agreement or the SIS invoice payment from the customer, whichever is later.
2	PG&E Issues Final SIS report.	Within 60 BD of start of SIS process
3	Hold SIS Results Meeting between PG&E and Interconnection Customer	Within 20 BD of sending Final SIS report to Interconnection Customer

(e) **Refunds of Interconnection Study Deposits**: Please refer to Section 9.4 of the GIP for detailed information about the timing and availability of refunds of System Impact Study deposits.

(f) **Responsibility for Actual Costs in Excess of Deposit**: Per Sections 9.5 and 9.6 of the GIP, the Interconnection Customer is responsible for the actual costs of preparing the Interconnection Study(-ies).

Attachment 8

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 _____, a_____ _____ existing under the laws of the State of_____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the Distribution Provider's Distribution System;

WHEREAS, the Distribution Provider has completed an Interconnection System Impact Study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Distribution 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 Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility with the Distribution Provider's Distribution 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 or the meanings specified in the standard Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause an Interconnection Facilities Study consistent with the standard Generator Interconnection Procedures to be performed in accordance with the Wholesale Distribution Tariff.

3.0 The scope of the Interconnection Facilities Study shall be subject to data provided in Attachment A to this Agreement.

4.0 The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the Interconnection System Impact Study(s). The Interconnection Facilities Study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Distribution Provider's Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

5.0 The Distribution Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Generating Facility if it is willing to pay the costs of those facilities.

6.0 A deposit of the good faith estimated Interconnection Facilities Study costs may be required from the Interconnection Customer. In cases where Upgrades are required, the Interconnection Facilities Study draft report must be completed within sixty (60) Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the Interconnection Facilities Study draft report must be completed within forty-five (45) Business Days.

7.0 Once the Interconnection Facilities Study is completed, an Interconnection Facilities Study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the Interconnection Facilities Study draft report must be completed and the Interconnection Facilities Study draft report transmitted within sixty (60) Business Days of the Interconnection Customer's agreement to conduct an Interconnection Facilities Study.

8.0 Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Distribution Provider, which Distribution Provider shall include in the final report. Distribution 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. Distribution Provider may reasonably extend such fifteen (15) day period upon notice to Interconnection Customer if Interconnection Customer’s comments required Distribution Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study report. Upon request, Distribution 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 5.5 of the standard Generator Interconnection Procedures.

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

10.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

11.0 The Interconnection Customer must pay any study costs that exceed the deposit with interest within thirty (30) Calendar Days on receipt of the invoice or resolution of any

dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within thirty (30) Calendar Days of the invoice with interest.

12.0 Reservation of Rights

The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms, and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

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.

For the Distribution Provider	**For the Interconnection Customer**
Pacific Gas and Electric	**[Insert Interconnection Customer Name}**
Signed _____	Signed _____
_____	_____
(Printed Name)	*(Printed Name)*
Title _____	Title _____
Date _____	Date _____

Project Name: _____

Project Queue Number: _____

Attachment A

to Interconnection Facilities Study Agreement

Data to Be Provided by the 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, distribution circuits, etc.

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

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

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 the one-line diagram).

What type of control system or PLC will be located at the Generating Facility?

_____

_____

What protocol does the control system or PLC use?

_____

_____

Please provide a 7.5-minute quadrangle map of the site. Indicate the plant, station, distribution line, and property lines.

Physical dimensions of the proposed interconnection station:

_____

Bus length from generation to interconnection station:

_____

Line length from interconnection station to Distribution Provider's Distribution System.

_____

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

_____

Number of third party easements required for distribution lines*:

_____

* To be completed in coordination with Distribution Provider.

Is the Generating Facility located in Distribution Provider's service area?

_____ Yes _____ No If No, please provide name of local provider:

_____

Please provide the following proposed schedule dates:

Begin Construction	Date:	_____
Generator step-up transformers receive back feed power	Date:	_____
Generation Testing	Date:	_____
Commercial Operation	Date:	_____

Other assumptions and Study Information (provided by the Distribution Provider).

(a) **General Project Information:** The Interconnection Customer has requested that Pacific Gas and Electric Company (PG&E) perform a Facilities Study (FAS) for its project, (project name), located at (project address) in (county name) County. This project is a proposed (total # MW) MW (per the submitted application) (Select from list) generator to be interconnected with PG&E's distribution system. Under the terms of a Small Generator Interconnection Agreement, all output power will be exported to PG&E's distribution grid.

(b) **Deadline for Returning the Signed Agreement to PG&E:** Per Section 3.6.1 of the Generator Interconnection Procedures (GIP), the Interconnection Customer must execute and return this agreement within thirty (30) Business Days from the tendering of this agreement – i.e., by (enter date due).

(c) **Failure to Meet Signature Deadline:** Per Section 3.6.1 of the GIP, if the Interconnection Customer fails to return an executed agreement within those thirty (30) business days, the project will be withdrawn from the interconnection queue.

(d) **Facilities Study Schedule:** The general schedule is shown in the table below: The actual milestone dates will be determined based on the date PG&E receives this executed agreement.

Task	Description	Target Date
1	Establish study commencement date based on receipt of signed Study Agreement or receipt of the customer's payment on the FAS invoice, whichever is later.	Within 2 BD of receipt of executed FAS Agreement or the FAS invoice payment from the customer, whichever is later.
2	PG&E Issues Final FAS report.	Within 60 BD of start of FAS process
3	Hold FAS Results Meeting between PG&E and Interconnection Customer	Within 20 BD of sending Final FAS report to Interconnection Customer

(e) **Refunds of Interconnection Study Deposits**: Please refer to Section 9.4 of the GIP for detailed information about the timing and availability of refunds of Facilities Study deposits.

(f) **Responsibility for Actual Costs in Excess of Deposit:** Per Sections 9.5 and 9.6 of the GIP, the Interconnection Customer is responsible for the actual costs of preparing the Interconnection Study(-ies).

ATTACHMENT J

LETTER AGREEMENT

[Date]

[Authorized Representative Name]
[Title]
[Company]
[Address]

Re: Letter Agreement for the **[Project Name]** Project **[Project ID:]** located at **[lat/long or street, city, zip and county]**

Dear **[Authorized Representative Name]**:

Pacific Gas and Electric Company ("PG&E") hereby enters into this Letter Agreement ("Agreement") with **[Interconnection Customer Name]** for certain work prior to the execution of the applicable Generator Interconnection Agreement ("IA") under the terms of PG&E's Wholesale Distribution Tariff ("WDT"). The Interconnection Customer is an Eligible Customer as that term is defined in the WDT.

All capitalized terms used herein, and not otherwise defined, shall have the meaning ascribed to that term in the WDT, Section 2: Definitions in the WDT, Attachment I: Generator Interconnection Procedures ("GIP"), or successor tariff. The Interconnection Customer and PG&E are sometimes referred to herein individually as "Party" and collectively as "Parties."

The Interconnection Customer desires for PG&E to commence certain work prior to executing the IA. Accordingly, the purpose of this Agreement is to agree upon an interim arrangement pursuant to which PG&E will commence, and the Interconnection Customer will pay for, the Work described herein, according to the following terms and conditions:

1. Work.

PG&E will perform the Work, as described in Exhibit A, upon payment of amounts described in Section 2 and according to the terms provided herein. PG&E shall perform the Work only after receipt of the payments and financial security set forth in Exhibit C, as may be modified by Section 2.2 and any applicable milestones set forth in Exhibit D.

2. Payments and Financial Security.

2.1. **Payments/Security.** For PG&E to perform its obligations under the terms and conditions of this Agreement, the Interconnection Customer shall provide to PG&E the payments and financial security, in such estimated amounts as set forth in Exhibits B and C (as may be modified as described in Section 2.2) and in

such form and on such dates as set forth in Exhibit C. PG&E will provide the Interconnection Customer an invoice of such payment obligations, which must be paid by the payment dates in Exhibit C.

2.2. **Additional Amounts.** PG&E shall notify Interconnection Customer in writing within a reasonable time if PG&E learns that charges and expenses are likely to exceed the estimated amounts specified in Exhibit B, warranting adjustments to amounts in Exhibit C. The Parties will agree to amend this Agreement in order to reflect and collect the additional amounts required, subject to Federal Energy Regulatory ("FERC") approval, as applicable, before an invoice for the additional amounts or a request to increase the financial security is issued to the Interconnection Customer.

In the event of such notification, PG&E shall specify the additional payment and/or the corresponding financial security increase(s) and Interconnection Customer shall:

2.2.1 Pay such additional invoiced amounts within thirty (30) Calendar Days from the date of the invoice.

2.2.2 Post an increase to the financial security amount within thirty (30) Calendar Days of such request.

2.3. **Failure to Pay; Insolvency**. Subject to Section 3.2, in the event that the Interconnection Customer fails to provide payment for amounts incurred or irrevocably committed to be incurred, or fails to provide financial security, pursuant to this Agreement, PG&E may (a) immediately stop Work; (b) draw on the interconnection financial security for any amounts due to PG&E during the term of this Agreement, and/or (c) terminate this Agreement by written notice of cancellation effective upon FERC approval. In the event that Interconnection Customer (i) is dissolved; (ii) becomes insolvent; (iii) becomes the subject of a petition in bankruptcy, either voluntary or involuntary, or in any other proceeding under federal bankruptcy laws; (iv) makes an assignment for the benefit of creditors, excluding any assignment for financing purposes; (v) is named in a suit for the appointment of a receiver, PG&E may, in addition to (a) through (c) above, draw on the tax security for any tax liability imposed on PG&E during the term of this Agreement.

3. Dispute.

Disputes arising out of or in connection with this Agreement shall be resolved as follows:

3.1. **Submission.** In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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 Agreement.

3.2. **Payment Dispute.** In the event of a billing dispute between PG&E and the Interconnection Customer, PG&E shall continue to perform the Work under this Agreement as long as the Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to PG&E or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Interconnection Customer fails to meet these two requirements for continuation of service, then PG&E may invoke remedies in Section 2.3. 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's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

3.3. **External Arbitration Procedures.** Any arbitration initiated under this Agreement 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of Section 3, the terms of this Section 3 shall prevail.

3.4. **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 this Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

3.5. **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 arbitration 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.

4. Milestone Schedule.

If applicable, the milestone schedule is attached as Exhibit D. PG&E shall use commercially reasonable efforts to complete the Work in accordance with this schedule. However, PG&E does not warrant the Work will be completed in time to meet such deadlines, and the Interconnection Customer understands and acknowledges that such deadlines are only estimates. PG&E shall not be liable for any cost or damage incurred by the Interconnection Customer as a result of or due to any delay in the completion of the Work pursuant to the milestone schedule.

5. Termination.

5.1. Except for terms that survive termination, this Agreement shall terminate upon the earliest of the following to occur: (i) notice that this Agreement is not accepted for filing by FERC, if applicable; (ii) the effective date of the IA, which the Parties intend to supersede this Agreement; (iii) the Interconnection Customer's receipt of PG&E's notice of cancellation pursuant to Section 2.3, which is subject to acceptance by FERC; (iv) two (2) Business Days after receipt by PG&E of a termination notice from Interconnection Customer to PG&E at any time and for any reason; or (v) withdrawal of the Interconnection Customer's Interconnection Request for the Project.

5.2. In the event that either Party terminates this Agreement for reasons other than the execution of the IA, PG&E shall use commercially reasonable efforts to mitigate the costs, damages, and charges arising as a consequence of such termination. To that end, PG&E shall cancel, to the extent possible, or return any pending orders of any materials or equipment procured pursuant to this Agreement. To the extent that the Interconnection Customer already has paid PG&E for any or all costs of such materials, equipment or contracts cancelled or returned, PG&E shall refund such amounts to Interconnection Customer, less any costs or penalties incurred by PG&E to cancel pending orders for or return of such materials and equipment.

5.3. In the event that this Agreement is terminated or if the Work is completed before the effective date of the IA and a payment shortfall exists pursuant to Section 5.3.2 of this Agreement, PG&E shall make reasonable efforts to submit a final invoice to Interconnection Customer of all charges and expenses within twelve (12) months from the date of termination of or completion of the Work performed under this Agreement. In such event, the following true-up process will be used:

5.3.1. **Payment Excess.** In the event that the Interconnection Customer's payment(s) paid in accordance with this Agreement exceeds the amount of PG&E's charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement, PG&E shall return the excess

amount without interest to Interconnection Customer within thirty (30) Calendar Days after the date of a final invoice without offset for any amount that may be in dispute.

5.3.2. **Payment Shortfall.** In the event that Interconnection Customer's payment(s) paid in accordance with this Agreement is less than the amount of PG&E's charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement, then the Interconnection Customer shall pay the difference, without interest, within thirty (30) Calendar Days of the date of the final invoice, without offset for any amount which may be in dispute. If Interconnection Customer fails to pay the final invoice, PG&E also shall have the right to draw on the Interconnection Financial Security for any payment shortfall.

5.4. In the event that the Interconnection Customer elects to terminate this Agreement but still take delivery of materials or equipment procured pursuant to this Agreement, the Interconnection Customer shall assume all payment obligations with respect to delivery of such materials, equipment, and contracts, and PG&E shall transfer such materials and equipment, and, if necessary, assign such contracts, to the Interconnection Customer as soon as reasonably practicable, at the Interconnection Customer's expense.

5.5. In the event that the Interconnection Customer and PG&E enter into an IA concurrently with the termination of this Agreement, then any applicable work product generated by PG&E and any associated payments made by Interconnection Customer pursuant to this Agreement not already credited shall be reflected in the scope of, and the amount due under, such IA.

6. Taxes.

6.1. The Parties intend that all payment(s) made by the Interconnection Customer to PG&E pursuant to this Agreement shall be treated as non-taxable if the payment(s) satisfies the non-taxability requirements of the Internal Revenue Code, state income tax laws or other applicable tax authorities. Payment(s) that satisfy the non-taxability requirements shall not be taxable as contributions in aid of construction upon contribution. However, to the extent the payment(s) fail the non-taxability requirements, then the Interconnection Customer shall protect, indemnify and hold harmless PG&E from the cost consequences of any income tax liability imposed against PG&E as the result of the taxable payment(s) made by the Interconnection Customer to PG&E under this Agreement, as well as any interest and penalties. PG&E reserves its right to request financial security from the Interconnection Customer for potential estimated tax liability held on behalf of the Project to pay the tax liability imposed on PG&E if determined appropriate.

6.2. If PG&E or the IRS makes a determination that the payment(s) made pursuant to this Agreement are taxable as contributions in aid of construction, PG&E shall require that the Interconnection Customer make a nonrefundable cash payment to PG&E within thirty (30) Calendar Days of receipt of the invoice in the actual amount of the resultant tax liability. The tax liability will be calculated using the methodology described in the Article 5.17.4 (Tax Gross-Up Amount) of the WDT

Attachment H.

7. Force Majeure.

No Party shall be considered to be in default with respect to any obligation hereunder, other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure, which may also be referred to as Uncontrollable Force and for purposes of clarity shall include pandemic. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section 7 shall be confirmed in writing as soon as reasonably possible and shall specifically state the full particulars of the Force Majeure, the time and date when the Force Majeure occurred, and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

8. Indemnity.

Each Party shall at all times indemnify, defend, and hold the other Party harmless from, any and all Losses arising out of or resulting from the other Party's action or inactions with respect to its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

9. Consequential Damages.

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

10. Entire Agreement.

This Agreement, including all Exhibits attached hereto, constitutes the complete and final expression of the agreement between the Parties and is intended as a complete and exclusive statement of the terms of their agreement. This Agreement supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements, which may have been made in connection with the subject matter of this Agreement. Nothing in this Agreement is intended or shall be deemed to require PG&E or Interconnection Customer to enter into any other agreement, including without limitation any agreement to interconnect the Project. Should the Parties enter into an IA, such IA will supersede this Agreement.

11. Insurance.

Each Party shall maintain insurance coverage consistent with the requirements as set forth in the *pro forma* IA.

12. Access Rights.

Each Party shall provide access rights consistent with the requirements as set forth in the *pro forma* IA.

13. Waiver.

Any waiver at any time by either Party of its rights with respect to this Agreement, shall not be deemed a waiver with respect to any other failure to comply with any obligation, right or duty of this Agreement. Any delay, with the exception of the statutory period of limitation in assessing or enforcing any right, shall not be deemed a waiver of such right.

14. No Joint Liability.

The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust, or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

15. **No Third Party Beneficiaries.**

The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary either of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

16. **Governing Law.**

This Agreement shall be interpreted by and in accordance with the laws of the State of California, without regard to the principles of conflict of laws therefor, or the laws of the United States, as applicable, as if executed and to be performed wholly within the United States.

17. **Successors and Assigns.**

This Agreement shall be binding upon the Parties and their successors and assigns. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Interconnection Customer's Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to

notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned, or delayed.

18. **Survival.**

Indemnity obligations and obligations to pay charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement will survive termination of this Agreement.

19. **FERC Filing.**

PG&E will report this Agreement and amendments thereto in its Electric Quarterly Report ("EQR") in lieu of filing it at FERC, pursuant to Applicable Laws and Regulations.

20. **Reservation of Rights.**

PG&E shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

21. **Construction.**

Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party but shall be construed in the manner that most accurately reflects the Parties' intent as of the date they executed this Agreement.

22. **Amendment.**

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

23. **Confidentiality.**

The provisions governing confidentiality in the *pro forma* IA are hereby incorporated herein, in their entirety.

24. **Authority.**

Each Party hereby represents that it and its signatory below have 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).

25. **Warranties.**

The Interconnection Customer warrants that it is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; and that it is qualified to do business in the state or states in which the Facility is located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this 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.

26. **Headings.**

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

27. **Execution.**

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

28. **Effective Date.**

This Agreement shall become effective on upon execution by all Parties subject to acceptance by FERC.

PACIFIC GAS AND ELECTRIC COMPANY

By____/s/ [Signature]_____
Name: **[Name]**
Title: **[Title]**

ACCEPTED AND AGREED to this _____ day of _____ 20_____

[IC COMPANY NAME]

By____/s/ [Signature]_____
Name: **[Name]**
Title: **[Title]**

ACCEPTED AND AGREED to this _____ day of _____ 20_____

EXHIBIT A

SCOPE OF WORK

[Insert a description of the Work to be performed by PG&E, including that related to Interconnection Facilities, Transmission Upgrades, and Network Upgrades, as applicable. A one-line diagram of the interconnection may be included, if applicable.]

EXHIBIT B

ESTIMATED COST OF THE WORK AND FINANCIAL SECURITY

[PG&E will provide an estimated cost of the Work identified in Exhibit A and any associated financial security, including Interconnection Financial Security and tax security*.]

*The rate(s) applicable to any tax security is in accordance with PG&E's Wholesale Distribution Tariff designated as FERC Electric Tariff, Volume No. 4 as such tariff may be amended or superseded.

Additional Definitions:

Distribution Upgrades Cost: The Interconnection Customer's allocated share of all costs determined by PG&E to be associated with the design, engineering, procurement, construction, and installation of the Distribution Upgrades.

Interconnection Facilities Cost: All costs determined by PG&E to be associated with the design, engineering, procurement, construction, and installation of Participating TO's Interconnection Facilities.

Local Delivery Network Upgrades Cost: The Interconnection Customer's allocated share of all costs determined by PG&E to be associated with the design, engineering, procurement, construction, and installation of the Local Delivery Network Upgrades constructed and owned by PG&E.

Local Off-Peak Network Upgrades Cost: The Interconnection Customer's allocated share of all costs determined by PG&E to be associated with the design, engineering, procurement, construction, and installation of the Local Off-Peak Network Upgrades constructed and owned by PG&E.

Reliability Network Upgrades Cost: The Interconnection Customer's allocated share of all costs determined by PG&E to be associated with the design, engineering, procurement, construction, and installation of Reliability Network Upgrades.

a. **Estimated Cost**

Element	Interconnection Facilities Cost ($)	Distribution Upgrades Cost ($)	Reliability Network Upgrades Cost ($)	Local Delivery Network Upgrades Cost ($)	Local Off-Peak Network Upgrades Cost ($)	Total ($)
[Rows to include description of the elements of the scope of work and estimated						

costs]						
Total	**$ xxxxxx**	**$ xxxxxx**	**$ xxxxxx**	**$ xxxxxx**	**$ xxxxxx**	**$ xxxxxx**

b. Financial Security

[PG&E to insert information about required financial security(-ies) needed to support this agreement]

EXHIBIT C

PAYMENT AND FINANCIAL SECURITY SCHEDULE

[PG&E will include a schedule(s) of the amount, and due date, for the payments and financial security, as applicable, reflected in Exhibit B.]

EXHIBIT D

MILESTONES

[As needed, PG&E will include a list of relevant milestones applicable only to the Work to be completed under this Letter Agreement.]

ATTACHMENT K:
Generator Interconnection Study Procedures (GISP)

Section 1. Application

1.1 Applicability

As of the effective date of this Generator Interconnection Study Procedures (GISP), no new interconnection requests will be accepted under the Generator Interconnection Procedure (GIP) (Attachment I).

1.1.1 The objective of this Generator Interconnection Study Procedure (GISP) is to implement the requirements for Generating Facility interconnections to the Distribution System. Nothing in this GISP shall constitute a request for distribution service or confer upon an Interconnection Customer any right to receive distribution service.

This GISP applies to all Generating Facilities regardless of size. Please refer to the following sections for applicability and eligibility requirements of the five (5) study processes under this GISP:

(1) Fast Track Process: Section 2.1

(2) Independent Study Process (ISP): Section 3.1

(3) Distribution Group Study Process (DGSP): Section 4.1

(4) Cluster Study Process (CSP): Section 5.1

(5) 10kW Inverter Process: Attachment 5

1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of these procedures.

1.1.3 (not used)

1.1.4 Prior to submitting its Interconnection Request (Attachment 2), the

Interconnection Customer may ask the Distribution Provider's interconnection contact employee or office whether the proposed interconnection is subject to these procedures. The Distribution Provider shall respond within fifteen (15) Business Days.

1.1.5 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. The Federal Energy Regulatory Commission expects all Distribution and Transmission Providers, market participants, and Interconnection Customers interconnected with electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

1.1.6 References in these procedures to “interconnection agreement” or GIA are to the Small Generator Interconnection Agreement (SGIA) 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), or unless the Interconnection Customer is eligible to interconnect under state jurisdiction and elects to opt for a Rule 21 GIA, in which case references to interconnection agreement are to the Rule 21 GIA.

1.2 Pre-Application

1.2.1 Standard Pre-Application Report

Upon receipt of a completed Pre-Application Report Request and a non-refundable processing fee of $300, Distribution Provider shall provide pre-application data described in this section within ten (10) Business Days of receipt. The Pre-Application Report Request shall include a proposed Point of Interconnection, generation technology and fuel source. The proposed Point of

Interconnection shall be defined by latitude and longitude, site map, street address, utility equipment number (e.g. pole number), meter number, account number or some combination of the above sufficient to clearly identify the location of the Point of Interconnection.

The Standard Pre-Application Report will include the following information if available:

1. Total Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.

2. Allocated Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.

3. Queued Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.

4. Available Capacity (MW) of substation/area bus or bank and circuit most likely to serve proposed site.

5. Substation nominal distribution voltage or transmission nominal voltage if applicable.

6. Nominal distribution circuit voltage at the proposed site.

7. Approximate circuit distance between the proposed site and the substation.

8. Relevant Line Section(s) peak load estimate, and minimum load data, when available.

9. Number of protective devices and number of voltage regulating devices between the proposed site and the substation/area.

10. Whether or not three-phase power is available at the site.

11. Limiting conductor rating from proposed Point of Interconnection to

distribution substation.

12. Based on proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

13. Nominal distribution circuit voltage and wiring configuration.

1.2.2 Enhanced Pre-Application Report

The Enhanced Pre-Application Report Request shall be submitted in parallel with the Standard Pre-Application Report. Requests that exclude the Standard Pre-Application Report and select only the Enhanced Pre-Application Report package shall be assessed an additional non-refundable fee of $100.

The Enhanced Pre-Application Report Request shall include a proposed Point of Interconnection, generation technology and fuel source. The proposed Point of Interconnection shall be defined by latitude and longitude, site map, street address, utility equipment number (e.g. pole number), meter number, account number or some combination of the above sufficient to clearly identify the location of the Point of Interconnection.

The information included in the Enhanced Pre-Application Report is dependent upon the data package selected by Interconnection Customer.

(i) Primary Service Package

Upon receipt of a completed Enhanced Pre-Application Report Request for Primary Service Package and a non-refundable fee of $225, and additional $100 fee if applicable, Distribution Provider shall provide the enhanced pre-application data described in this section within ten (10) Business Days of receipt.

The Primary Service Package will include the following information if available:

1. Relevant line section(s) absolute minimum load and minimum load during the 10 AM – 4 PM period (provided when SCADA data is available).

2. Existing upstream protection including:

   (a) Device type (Fuse Breaker, Recloser)

   (b) Device controller (device make/model ex: 50E/50T)

   (c) Phase settings [IEEE Curve, Lever, Min Trip (A), Inst Trip(A)]

   (d) Ground settings [IEEE Curve, Lever, Min Trip (A), Inst Trip(A)]

   (e) Rated continuous current

   (f) Short Circuit interrupting capability

   (g) Confirm if the device is capable of bi-directional operation

3. Provide the Available Fault Current at the proposed Point of Interconnection including existing distributed generation fault contribution.

1.3 Interconnection Request

1.3.1 Cluster Study Process

If a new Interconnection Request meets one or both of the following criteria, it is required to apply to and be studied in the Cluster Study Process (see Section 5):

1) The proposed project is seeking interconnection at a Point of Interconnection with a transmission line voltage of more than 60 kilovolts (kV); and/or

2) The proposed project has a project generation rating of 10 MVA or higher.

If the proposed project meets one or both of these criteria and must apply for the Cluster Study Process, see Section 5.1 of this GISP for the timing of that application process and the Interconnection Request materials that must be submitted for it. Please also see Section 1.6 of this GISP for information about the Cluster Study Process application fee and study deposit requirements.

For all interconnection study processes, see the information below.

1.3.2 Study Processes

Any Interconnection Customer for Interconnection to Distribution Provider's Distribution System must submit a complete and valid Interconnection Request via the Distribution Provider's online application process for each site. An Interconnection Request will be considered complete and valid when all items required for an Interconnection Request have been received by Distribution Provider and deemed valid by Distribution Provider along with the receipt of the nonrefundable $800 Interconnection Request fee and Interconnection Study Deposit as specified in Section 1.6 of this GISP:

After an Interconnection Request is deemed complete and valid, Distribution Provider will proceed to the requested study process unless the Interconnection Request is proposing to interconnect to a substation or circuit common to another Interconnection Request undergoing Interconnection Request validation.

Interconnection Customer shall submit a separate Interconnection Request for each site. Where multiple Generating Facilities share a site, Interconnection Customer(s) may submit separate Interconnection Requests or a single Interconnection Request. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two separate Interconnection Requests.

Distribution Provider in its role as Distribution Provider will study Generating Facilities that include at least one electric storage resource using operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by Interconnection Customer, unless Distribution Provider, in consultation with CAISO, as applicable, determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. If Distribution Provider finds Interconnection Customer's requested operating assumptions conflict with Good Utility Practice, they must provide Interconnection Customer an explanation in writing of why the submitted operating assumptions are insufficient or inappropriate by no later than thirty (30) calendar days before the end of the Customer Engagement Window and allow Interconnection Customer to revise and resubmit requested operating assumptions one time at least ten (10) Calendar Days prior to the end of the Customer Engagement Window. Distribution Provider will study these requests for Interconnection Service, with the study costs borne by Interconnection Customer, using the submitted operating assumptions for purposes of Interconnection Facilities, Network Upgrades, and associated costs. These requests for Interconnection Service also 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 Interconnection Customer. Interconnection Customer's Generating Facility may be subject to additional control technologies as well as testing and validation of such additional control technologies consistent with Article 2 of the SGIA and Article 6 of the LGIA. The necessary control technologies and protection systems, if any, will be further detailed in Attachment 5 of the SGIA and Appendix C of the LGIA.

1.3.3 Smart Inverter Requirement for Inverter-based Generators

In accordance with UL-1741 Supplement SA, any new Interconnection Requests for inverter-based generation received on or after September 9, 2017, must employ UL-1741 Supplement SA certified Smart Inverters.

Replacement of existing non-smart inverters with a smart inverter is allowed without a

new Interconnection Request by mutual agreement between the Interconnection Customer and the Distribution Provider, assuming there are no additional facility changes that might warrant a new interconnection request.

Replacement of an existing non-smart inverter with another equivalent non-smart inverter also is allowed without a new Interconnection Request by mutual agreement between the Interconnection Customer and the Distribution Provider, provided that:

- The replacement inverter has the same rating;

- The replacement inverter has equal or greater functionality;

- The replacement inverter is certified to UL-1741; and

- There are no additional facility changes that might warrant a new Interconnection Request.

1.3.4 Acknowledgement of Interconnection Request

Distribution Provider shall provide a first written notification to the Interconnection Customer within ten (10) Business Days of receipt of the Interconnection Request, which notice shall state whether the Interconnection Request is deemed complete and valid. All Interconnection Requests to be included in that year's Cluster Study Process, must be deemed valid by the end of the Customer Engagement Window.

1.3.5 Deficiencies in Interconnection Request

1.3.5.1 First Notification of Deficiency

If an Interconnection Request fails to meet the requirements, Distribution Provider shall state in its first written notification the reasons for such failure and that the Interconnection Request does not constitute a valid request.

Interconnection Customer shall provide Distribution Provider the

additional requested information needed to constitute a complete and valid request within ten (10) Business Days from the date of the first written notification that the Interconnection Request is invalid.

If a Cluster Study Interconnection Request is not deemed valid, the Interconnection Customer must cure all deficiencies no later than the close of the Customer Engagement Window.

1.3.5.2 Second Notification of Deficiency

Distribution Provider shall provide a second written notification to Interconnection Customer within ten (10) Business Days of receipt of the additional requested information, stating whether the Interconnection Request is valid or the reasons for any failure.

Interconnection Customer shall provide Distribution Provider the additional requested information needed to constitute a complete and valid request within five (5) Business Days from the date of the second written notification that the Interconnection Request is invalid.

1.3.5.3 Extension Request

Upon request, Interconnection Customer can receive one extension of up to twenty (20) Business Days to resolve deficiencies in the Interconnection Request.

For Cluster Study Projects, to the extent the CAISO and Distribution Provider cannot meet any deadline in this Section 1.3.3, the Interconnection Customer will receive a day-for-day extension on all remaining deadlines requiring its response.

1.3.5.4 Failure to Resolve Deficiencies

If Interconnection Customer does not resolve deficiencies in the

Interconnection Request within the time frames set out above, Distribution Provider will deem the Interconnection Request withdrawn. Interconnection Customer may submit a new Interconnection Request.

Interconnection Customers with invalid Interconnection Requests under this Section may seek relief under the dispute resolution provisions in Section 6.2 by so notifying Distribution Provider within two (2) Business Days of receipt of the first or second written notification that the Interconnection Request is incomplete and/or invalid.

For Cluster Study, if Interconnection Request is not deemed valid, the Interconnection Customer must cure all deficiencies no later than the close of the Customer Engagement Window.

1.3.6 Assignment of Queue Position

If there were no deficiencies and all items required pursuant to the provisions of the Interconnection Request, Section 1.3 of this GISP, the queue position will be based on the date Distribution Provider received the Interconnection Request. If there were deficiencies in the Interconnection Request, the queue position will be based on the date Distribution Provider determines an Interconnection Request to be complete and valid. Should Distribution Provider not meet any deadline for providing the first or second written notification to Interconnection Customer regarding the Interconnection Request, Interconnection Customer's queue position shall be set on the final day of the period in which Distribution Provider was obligated to provide such written notification, provided, however, that Interconnection Customer meets deadlines as set out above to submit any additional information required for a valid Interconnection Request following such written notification, and that Distribution Provider determines that the Interconnection Request is valid. All Interconnection Requests submitted and validated in a single Cluster Request Window shall be considered equally queued. An Interconnection Request for the expansion of capacity of an existing

Generating Facility shall be treated the same as an Interconnection Request for a new Generating Facility pursuant to this GISP.

1.3.7 Proposed Commercial Operation Date

In the initial Interconnection Request, the proposed Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall not exceed seven (7) years from the date the Interconnection Request is received by the Distribution Provider, unless the Interconnection Customer demonstrates, and the Distribution Provider agrees, such agreement not to be unreasonably withheld, that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the seven (7) year period. The Distribution Provider's agreement to an extension of the proposed Commercial Operation Date does not relieve the Interconnection Customer from compliance with the requirements of any of the criteria in the CAISO Resource Interconnection Standards (RIS) Sections 6.7.4 and 8.9.3 (or subsequent approved revisions thereof) for retention of TP Deliverability, and the Interconnection Customer shall notify CAISO of the extension.

Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. For purposes of this section, the Commercial Operation Date reflected in the initial Interconnection Request will be used to calculate the permissible extension prior to Interconnection Customer executing a GIA or requesting that the GIA be filed unexecuted. After a GIA is executed or requested to be filed unexecuted, the Commercial Operation Date reflected in the GIA will be used to calculate the permissible extension. Such cumulative extensions may not exceed three (3) years including both extensions requested after execution of the GIA by Interconnection Customer or the filing of an unexecuted GIA by the Distribution Provider and those requested prior to execution of the GIA by

Interconnection Customer or the filing of an unexecuted GIA by the Distribution Provider.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Generating Facility not agreed to in writing by Distribution Provider and Interconnection Customer may be deemed a withdrawal of the Interconnection Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken. Any such requests for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment 2 of this GISP.

Once an Interconnection Request has been deemed complete, the Interconnection Customer may not change its deliverability selection from Energy Only to either Partial or Full Capacity Deliverability. If the Interconnection Customer initially selected an Energy Only Deliverability status and later determines the project will need to be studied for Full or Partial Capacity, the project either (1) will have to be withdrawn and a new application submitted (along with new associated application fees and study deposits) with the correct deliverability status selected, or (2) wait to apply to the Distributed Generation Deliverability study process the next time it is offered by the CAISO.

However, if an Interconnection Request has been or is being studied for Full (or Partial) Capacity Deliverability status and the Interconnection Customer determines the costs or timing to achieve that status are not achievable, the Interconnection Customer may withdraw from the Full (or Partial) Capacity Deliverability study process and continue forward with its Energy Only (i.e., Reliability) interconnection study process. However, the Interconnection Request may not return to that Full (or Partial) Deliverability study process at a later date unless the Interconnection Request is withdrawn and a new Interconnection Request is submitted with the updated deliverability study selected.

1.5 Site Control and Site Exclusivity

Documentation of Site Control and Site Exclusivity must be submitted with the Interconnection Request. Site Exclusivity may be demonstrated through:

Demonstration of no less than ninety percent (90%) Site Control; or

(A) A signed affidavit from an officer of the Interconnection Customer indicating Site Control is unobtainable due to regulatory limitations as defined by the Distribution Provider;

(B) Documentation describing the source and effects of such limitations, conditions to satisfy them, and anticipated timeline; and

(C) A deposit in lieu of Site Control of $10,000 per MW, subject to a minimum of $500,000 and a maximum of $2,000,000.

Interconnection Requests for multiple Generating Facilities sharing a site must include an agreement allowing shared land use. An Interconnection Customer submitting a deposit in lieu of Site Control must demonstrate identifiable steps toward securing regulatory approvals before execution of the Interconnection Study Agreement. Such deposit will be held until Site Control is demonstrated. Customers facing qualifying regulatory limitations must demonstrate 100% Site Control within 180 Calendar Days of the LGIA effective date.

Interconnection Customer shall promptly inform Distribution Provider of any material change to Site Control status. Failure to cure within ten (10) Business Days after notice will result in withdrawal under GISP Section 9.1.

If Distribution Provider determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies the Site Control requirement, Distribution Provider shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement subject to Distribution Provider's approval. Absent such, Distribution Provider shall

deem the Interconnection Request withdrawn pursuant to Section 9.1 of this GISP.

1.6 Study Costs

The following table summarizes the deposits or fees required for each of the Distribution studies. In each case, the Interconnection Customer will be invoiced for the appropriate amount during the application process or as needed between studies. For all Wholesale Distribution study processes described in this procedure, the Interconnection Customer is still responsible for all actual costs to complete the study(-ies) (See Sections 9.5 and 9.6 for more information on this requirement).

Table 1-1 Interconnection Study Deposits and Fees

Study Process	Study Type(s)	Application Fee (1)	Study Deposit (2)
Fast Track (Section 2)	Initial Review	$800	$1,000 (4)
	Supplemental Review	$0 (unless not paid for Initial Review)	$2,500 (4)
Independent Study Process (ISP) (Section 3) For projects <=5 MW (3)	System Impact Study (SIS)	$800	$10,000 (4)
	Facility Study (FAS)	$0 (unless not paid for SIS)	$15,000 (4)
Independent Study Process (ISP) (Section 3) For projects >5 MW (3)	SIS & FAS Studies	$800	$50,000 + $1,000 / MW, up to $250,000 (4)
Distribution Group Study Process (DGSP) (Section 4) For projects <=5 MW (3)	Phase I	$800	$10,000 (5)
	Phase II	$0	$15,000 (5)
Distribution Group Study Process (DGSP) (Section 4) For projects >5 MW (3)	Phase I & Phase II studies	$800	$50,000 + $1,000 / MW, up to $250,000 (5)
Cluster Study Process (CSP) (Section 5)	Phase I & Phase II Study	$5,000	<80 MW: $35,000 + $1,000 /MW >=80 MW to <200

Study Process	Study Type(s)	Application Fee [1]	Study Deposit [2]
			MW: $150,000 >=200 MW: $250,000
Cluster Study Commercial Readiness Deposit (7)	Initial Commercial Readiness Deposit (see Section 5.1.3(xii))	N/A	2X Cluster Study Deposit
10 kW Inverter Process (Attachment 5)		$100	
Affected System Study		$800	$5,000
Deliverability Capacity Studies (Section 5)			
Full Capacity Deliverability Assessment (FCDS)	Phase I & Phase II Studies	$0 (paid as part of ISP, DGSP, or CSP application)	$50,000 deposit [4]
Distributed Generation Deliverability (DGD)	Annual Assessment	$0	$0
Material Modification Assessment (MMA)		$0	$25,000

Table 1-1 Notes:

(1) All Application Fees are non-refundable.

(2) Per Sections 9.5 and 9.6, the Interconnection Customer is responsible for actual costs required to perform the study. The Interconnection Study Deposit amounts shown are upfront payments to initiate the study processes.

(3) Project size is determined based on Section 6.10 of this tariff.

(4) Refundable study deposit depending on actual study costs incurred.

(5) Conditionally refundable study deposit – see Section 4 "Distribution Group Study Process" of this GISP.

(6) The AFCDS study fee is a one-time, non-refundable payment. There are no additional study costs charged to the customer.

(7) See Commercial Readiness Section 5.2 for additional financial requirements.

Section 2. Fast Track Process

2.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Generating Facility with Distribution Provider's Distribution System if the Generating Facility's capacity does not exceed the size limits identified in the table below. Generating Facilities below these limits are eligible for Fast Track review. However, Fast Track eligibility is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Generating Facility will pass the Fast Track screens in section 2.2.1 below or the Supplemental Review screens in section 2.4 below.

Fast Track eligibility is determined based upon the generator type, the size of the generator, voltage of the line and the location of and the type of line at the Point of Interconnection. All Generating Facilities connecting to lines greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. Interconnection Customers seeking to use the greater size limits for Certified inverter-based Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) must first request a Pre-Application report per Section 1.2 above to determine the electrical circuit distance between the proposed POI and the substation that will serve that Generating Facility. The screens in section 2.2 provide the actual capacity limits for each Interconnection Request. In addition to the size threshold, Interconnection Customer's proposed Generating Facility must meet the codes, standards, and certification requirements of Attachments 3 and 4 of these procedures, or Distribution Provider has to have reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate. All Generating Facilities interconnected

under the Fast Track Process will have Energy Only deliverability status. Entities may apply for full capacity using the Additional Deliverability Assessment Options under Section 4.22.

No changes may be made to the planned Point of Interconnection or Generating Facility machine data, equipment configuration or generation size identified in the original Interconnection Request during the Fast Track Process, unless such changes are suggested and agreed to by the Distribution Provider. Where agreement has not been reached, Interconnection Customers choosing to change the Point of Interconnection or Generating Facility size must withdraw the current project and submit a new Interconnection Request for the new project configuration. If the Interconnection Customer makes changes to any of these items without agreement from the Distribution Provider, the Interconnection Request will be deemed withdrawn.

Table 2-1 Fast Track Eligibility for Smart Inverter-Based Systems

Line Voltage	Fast Track Eligibility Regardless of Location	Fast Track Eligibility on a Mainline[1] and ≤ 2.5 Electrical Circuit Miles from Substation[2]
<5 kV	≤ 500 kW	≤ 500 kW
≥ 5 kV and < 15 kV	≤ 2 MW	≤ 3 MW
≥ 15 kV and < 30 kV	≤ 3 MW	≤ 4 MW
≥ 30 kV and ≤ 69 kV	≤ 4 MW	≤ 5 MW

[1]For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil, and 795 kcmil.
[2]An Interconnection Customer must determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to section 1.2.

2.2 Initial Review Upon receipt of a complete and valid Interconnection Request pursuant to Section 1.3, Distribution Provider shall perform Initial Review using the process in Section 2.2.1. The Initial Review determines if (i) the Generating Facility qualifies for Fast Track Interconnection through Initial Review, or (ii) the Generating

Facility requires a Supplemental Review. Absent extraordinary circumstances, Distribution Provider shall notify Interconnection Customer in writing of the results of Initial Review within fifteen (15) Business Days following validation of an Interconnection Request.

The Interconnection Customer shall be responsible for the Distribution Provider's actual costs for conducting the Initial Review. The Interconnection Request fee will be applied toward the costs for conducting the Initial Review. The Interconnection Customer must pay any review costs that exceed the Interconnection Request fee within thirty (30) Calendar Days of receipt of the invoice or resolution of any dispute. Failure to submit payment for any costs in excess of the Interconnection Study Deposit will result in the withdrawal of the Interconnection Request as well as the termination of any agreements with the Interconnection Customer. If the deposit exceeds the invoiced costs, the Distribution Provider will return such excess within thirty (30) Calendar Days of the invoice with interest.

2.2.1 Screens

2.2.1.1 The proposed Generating Facility's Point of Interconnection must be on a portion of Distribution Provider's Distribution System that is subject to the Tariff.

2.2.1.2 For interconnection of a proposed Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Generating Facility, on the circuit shall not exceed 15 % of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Distribution Provider's Electric System connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

2.2.1.3 For interconnection of a proposed Generating Facility to the load side of spot network protectors, the proposed Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other

inverter-based generation, shall not exceed the smaller of 5% of a spot network's maximum load or 50 kW[FN-13]. to ensure continuous import of power. Under no condition shall the interconnection of a Generating Facility result in a backfeed of a spot network or cause unnecessary operation of any Spot Network protectors.

[3] A Spot Network is a type of distribution system found within modern commercial buildings to provide high reliability of service to a single customer. (Standard Handbook for Electrical Engineers, 11th edition, Donald Fink, McGraw Hill Book Company

2.2.1.4 The proposed Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 % to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

2.2.1.5 The proposed Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 % of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5 % of the short circuit interrupting capability.

2.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on Distribution Provider's electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line Type	**Type of Interconnection to Primary Distribution Line**	**Result/Criteria Type**

Three-phase, three wire	3-phase or single phase, phase to phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single phase line-to-neutral	Pass screen

2.2.1.7 If the proposed Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Generating Facility, shall not exceed 20 kW.

2.2.1.8 If the proposed Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

2.2.1.9 The Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Generating Facility proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

2.2.1.10 No construction of facilities by Distribution Provider on its own system shall be required to accommodate the Generating Facility.

2.2.2 If the proposed Interconnection passes the screens, the Interconnection Request shall be approved and the Distribution provider will provide Interconnection Customer an executable Interconnection Agreement within five (5) Business Days after the determination.

For Interconnection Requests that pass Initial Review but do require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall provide Interconnection Customer with a non-binding cost estimate of the

Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of providing Initial Review results. Following the receipt of a cost estimate for any Distribution Upgrades and/or Interconnection Facilities that have been identified, Interconnection Customer shall notify Distribution Provider within fifteen (15) Business Days whether Interconnection Customer: (i) requests a GIA (see Section 2.6), or (ii) withdraws its Interconnection Request. Interconnection Customer may request one extension of no more than fifteen (15) Business Days to respond. If Interconnection Customer fails to notify Distribution Provider within fifteen (15) Business Days, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn. If Interconnection Customer elects to proceed to the Generator Interconnection Agreement, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of Interconnection Customer's request.

2.2.3 If the proposed interconnection fails the screens, but Distribution Provider determines that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, Distribution Provider shall provide Interconnection Customer an executable interconnection agreement within five (5) Business Days after the determination.

2.2.4 If the proposed interconnection fails the screens, and Distribution Provider does not or cannot determine from the initial review that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless Interconnection Customer is willing to consider minor modifications or further study, Distribution Provider shall provide Interconnection Customer with the opportunity to attend a customer options meeting.

2.2.5 Affected System Impacts and Notification

At any time during the interconnection study process should the Distribution Provider identify that an Affected System may be impacted by the Interconnection Customer's proposed project, the Distribution Provider will follow the Affected System notification procedures and timelines detailed in Section 6.10.1 of this WDT GISP. Should the Affected System agree there is a potential impact, the Interconnection Customer will coordinate with the Affected

System to complete an Affected System Study and provide a copy of that study to the Distribution Provider within ten (10) Business Days of its completion. During the Affected System Study process, the Distribution Provider and Interconnection Customer will continue to move forward on the interconnection procedures and timelines detailed in this GISP.

2.3 Optional Initial Review Results Meeting

For all Interconnection Requests that pass Initial Review, refer to Section 2.2.2 for next steps in this study process.

For Interconnection Requests that fail one or more Initial Review screens, the Distribution Provider shall provide notice to the Interconnection Customer of the technical reason, data and analysis supporting the Initial Review results in writing. Interconnection Customer shall notify Distribution Provider within ten (10) Business Days following such notification whether to (i) proceed to an Initial Review Results Meeting, (ii) proceed to Supplemental Review, or (iii) withdraw the Interconnection Request. Interconnection Customer may request one extension of no more than ten (10) Business Days to respond.

If Interconnection Customer fails to provide a decision to the Distribution Provider within ten (10) Business Days of notification to the Interconnection Customer of the Initial Review results, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

Within five (5) Business Days of Interconnection Customer's request for an Initial Review Results Meeting, Distribution Provider shall contact Interconnection Customer and offer to convene a meeting at a mutually acceptable time to review the Initial Review screen analysis and related results to determine what modifications, if any, may permit the Generating Facility to be connected safely and reliably without Supplemental Review.

If, during the Initial Review Results Meeting, the Interconnection Customer and the Distribution Provider identify and agree to mitigations or modifications that obviate the

need for Supplemental Review and if no Interconnection Facilities or Distribution Upgrades are required, the Distribution Provider shall provide the Interconnection Customer with a Generator Interconnection Agreement in accordance with Section 2.6 of this GISP. If Interconnection Facilities or Distribution Upgrades are required, Distribution Provider shall provide the Interconnection Customer with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Initial Review results meeting. Interconnection Customer shall notify Distribution Provider within ten (10) Business Days following such notification whether to (i) proceed to a GIA, (ii) proceed to Supplemental Review, or (iii) withdraw the Interconnection Request.

If the Interconnection Customer and Distribution Provider are unable to identify or agree to modifications that enable the Interconnection Request to pass Initial Review, the Interconnection Customer shall notify Distribution Provider within ten (10) Business Days of the Initial Review results meeting whether it would like to proceed with Supplemental Review or withdraw its Interconnection Request.

If Interconnection Customer fails to notify Distribution Provider, within ten (10) Business Days of the Initial Review results meeting, the Interconnection Request shall be deemed withdrawn.

If the Interconnection Customer requests to proceed to Supplemental Review, the Distribution Provider shall provide a Supplemental Review agreement and an invoice for the study deposit to the Interconnection Customer within ten (10) Business Days. The Interconnection Customer shall execute the agreement and complete payment of the deposit within ten (10) Business Days of invoice delivery.

2.3.1 (not used)

2.3.2 (not used)

2.3.3 (not used)

2.3.4 (not used)

2.4 Supplemental Review

If Interconnection Customer requests a Supplemental Review and submits to the Distribution Provider an executed Supplemental Review agreement and deposit, Distribution Provider shall complete Supplemental Review using the screens set forth below, notify in writing the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Distribution Provider's determinations under the screens within twenty (20) Business Days, absent extraordinary circumstances, following authorization and receipt of the Supplemental Review agreement or study deposit, whichever is later.

The Supplemental Review will determine if (i) the Generating Facility qualifies for Fast Track Interconnection, or (ii) the Generating Facility requires further study in either the Independent Study Process or Cluster Study Process. The Interconnection Customer may specify the order in which the Distribution Provider will complete the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Distribution Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in section 2.4.1, within two (2) Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this section 2.4; (2) terminate the supplemental review and continue evaluating the Generating Facility under the Independent Study Process (see Section 3.0 of this GISP); or (3) terminate the supplemental review upon voluntary withdrawal of the Interconnection Request by the Interconnection Customer.

The Interconnection Customer shall be responsible for the Distribution Provider's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within thirty (30) Calendar Days of receipt of the invoice or resolution of any dispute. Failure to submit payment for any costs in excess of the Interconnection Study Deposit will result in the withdrawal of the Interconnection

Request as well as the termination of any agreements with the Interconnection Customer. If the deposit exceeds the invoiced costs, the Distribution Provider will return such excess within thirty (30) Calendar Days of the invoice with interest.

For Interconnection Requests that pass Supplemental Review and do not require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of providing notice of Supplemental Review results. Refer to Section 2.6 of this GISP for information about completing the GIA.

For Interconnection Requests that pass Supplemental Review and do require Interconnection Facilities or Distribution Upgrades, the Distribution Provider shall provide Interconnection Customer with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of providing notice of Supplemental Review results. For all Interconnection Requests that pass Supplemental Review, refer to Section 2.6 of this GISP for information about completing the GIA.

For Interconnection Requests that fail Supplemental Review, Distribution Provider shall provide the technical reason, data and analysis supporting the Supplemental Review results in writing, including, if Distribution Provider can make the determination, which additional study process Interconnection Customer qualifies for, and provide Interconnection Customer the option to attend a Supplemental Review Results Meeting or proceed directly to the Independent Study Process or Cluster Study Process. Interconnection Customer shall notify Distribution Provider within fifteen (15) Business Days following such notification whether to (i) proceed to a Supplemental Review Results Meeting, (ii) proceed to Independent Study Process, Distribution Group Study Process, or Cluster Study Process (held for next window), or (iii) voluntarily withdraw the Interconnection Request. Interconnection Customer may request one extension of no more than fifteen (15) Business Days to respond.

If Interconnection Customer fails to notify Distribution Provider within fifteen (15)

Business Days of such notification, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

2.4.1 Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Generating Facility) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, Distribution Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under section 2.4.4.

2.4.1.1 The type of generation used by the proposed Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen 2.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e. 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

2.4.1.2 When this screen is being applied to a Generating Facility that serves some station service load, only the net injection into Distribution Provider's electric system will be considered as part of the aggregate generation.

2.4.1.3 Distribution Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

2.4.2 Voltage and Power Quality Screen: In aggregate with existing generation on the

line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.

2.4.3 Safety and Reliability Screen: The location of the proposed Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Distribution Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

2.4.3.1 Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customer).

2.4.3.2 Whether the loading along the line section is uniform or even.

2.4.3.3 Whether the proposed Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.

2.4.3.4 Whether the proposed Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

2.4.3.5 Whether operational flexibility is reduced by the proposed Generating Facility, such that transfer of the line section(s) of the Generating Facility to a neighboring distribution circuit/substation

may trigger overloads or voltage issues.

2.4.3.6 Whether the proposed Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

2.4.4 If the proposed interconnection passes the supplemental screens in sections 2.4.1, 2.4.2, and 2.4.3 above, the Interconnection Request shall be approved and Distribution Provider will provide Interconnection Customer with an executable interconnection agreement within the timeframes established in sections 2.4.4.1 and 2.4.4.2 below. If the proposed interconnection fails any of the supplemental review screens and Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under the section 3 Study Process consistent with section 2.4.4.3 below.

2.4.4.1 If the proposed interconnection passes the supplemental screens in sections 2.4.1, 2.4.2, and 2.4.3 above and does not require construction of facilities by Distribution Provider on its own system, the interconnection agreement shall be provided within ten (10) Business Days after the notification of the supplemental review results.

2.4.4.2 If interconnection facilities or minor modifications to Distribution Provider's system are required for the proposed interconnection to pass the supplemental screens in sections 2.4.1, 2.4.2, and 2.4.3 above, and Interconnection Customer agrees to pay for the modifications to Distribution Provider's electric system, the interconnection agreement, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to Interconnection Customer within fifteen (15) Business Days after receiving written

notification of the supplemental review results.

2.4.4.3 If the proposed interconnection would require more than interconnection facilities or minor modifications to Distribution Provider's system to pass the supplemental screens in sections 2.4.1, 2.4.2, and 2.4.3 above, Distribution Provider shall notify Interconnection Customer, at the same time it notifies Interconnection Customer with the supplemental review results, that the Interconnection Request shall be evaluated under the section 3 Study Process unless Interconnection Customer withdraws its Generating Facility.

2.5 Optional Supplemental Review Results Meeting

Within five (5) Business Days of Interconnection Customer's request for a Supplemental Review Results Meeting, Distribution Provider shall contact Interconnection Customer and offer to convene a meeting at a mutually acceptable time to review the Supplemental Review screen analysis and related results to determine what modifications, if any, may permit the Generating Facility to be connected safely and reliably without the need to proceed to the Independent Study Process or Cluster Study Process.

If modifications that obviate the need to proceed to the Independent Study Process or Cluster Study Process are identified and Interconnection Customer and Distribution Provider agree to such modifications, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of the Supplemental Review Results Meeting if no Interconnection Facilities or Distribution Upgrades are required. If Interconnection Facilities or Distribution Upgrades are required, Distribution Provider shall provide Interconnection Customer with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Supplemental Review Results Meeting. For all Interconnection Requests that pass Supplemental Review, refer to Section 2.6 for completing the GIA

If Interconnection Customer and Distribution Provider are unable to identify or agree to

modifications that enable the Interconnection Request to pass Supplemental Review, Interconnection Customer shall notify Distribution Provider within twenty (20) Business Days of the Supplemental Review Results Meeting whether it would like to proceed to Independent Study Process, Distribution Group Study Process, Cluster Study Process (next window), or withdraw its Interconnection Request. If the Interconnection Customer proceeds to Independent Study Process, Distribution Group Study Process, or Cluster Study Process, the original Interconnection Request cannot be modified until the chosen Interconnection Study Process allows. Interconnection Customer may request one extension of no more than twenty (20) Business Days to respond. If Interconnection Customer fails to notify Distribution Provider within twenty (20) Business Days of the Supplemental Review Results Meeting, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

If the Interconnection Customer that elects to proceed to Independent Study Process, Distribution Group Study Process, or Cluster Study Process, the Interconnection Customer shall provide the applicable study deposit set forth in Section 3.2.1 for Independent Study Process, Section 4.1 for Distribution Group Study Process, and Section 5 for Cluster Study Process, within twenty (20) Business Days.

2.6 Generator Interconnection Agreement (GIA)

2.6.1 Tender

If Interconnection Customer elects to proceed to a Generator Interconnection Agreement, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of Interconnection Customer's request.

2.6.2 Negotiation

Upon receipt of a draft GIA, Interconnection Customer has ninety (90) Calendar Days to sign and return the GIA. Interconnection Customer shall provide written comments, or notification of no comments, to the draft GIA and appendices

within thirty (30) Calendar Days. At the request of Interconnection Customer, Distribution Provider shall begin negotiations with Interconnection Customer at any time after Distribution Provider provides Interconnection Customer with the draft GIA, which contains in its appendices the cost estimate for any Distribution Upgrades and/or Interconnection Facilities that have been identified by Distribution Provider. Distribution Provider and Interconnection Customer shall negotiate concerning the cost estimate, or any disputed provisions of the appendices to a draft GIA, for not more than ninety (90) Calendar Days after Distribution Provider provides Interconnection Customer with the GIA.

If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations and initiate Dispute Resolution procedures pursuant to Section 6.2. If Interconnection Customer fails to sign the GIA or initiate Dispute Resolution within ninety (90) Calendar Days, the Interconnection Request shall be deemed withdrawn.

2.6.3 Execution and Filing

Interconnection Customer shall either: (i) execute two originals of the tendered GIA and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. As soon as practicable, Distribution Provider shall file the unexecuted GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed upon terms of the unexecuted GIA, they may proceed pending FERC action.

Interconnection Customer retains financial responsibility for any Interconnection

Facilities, Distribution Upgrades, or Network Upgrades determined by subsequent engineering or study work , such as final engineering and design work, or other future operational or other technical study, such as to identify and determine the cost of any Distribution Provider's Interconnection Facilities required by the Generating Facility, or of short circuit duty-related Reliability Network Upgrades as assigned to the Interconnection Request during the Fast Track Process as set forth in Section 2, that are attributable to the Interconnection Request. If future engineering or other study work determines that the Interconnection Customer is financially responsible for Interconnection Facilities, Distribution Upgrades, or Network Upgrades identified in these future studies, the GIA will be amended to assign the Interconnection Customer financial responsibility for such facilities and upgrades.

Section 3. Independent Study Process

3.1 Applicability

The Independent Study Process shall be used by an Interconnection Customer proposing to interconnect its Generating Facility with the Distribution Provider's Distribution System if the proposed Generating Facility passes the electrical independence screen to qualify for the Independent Study Process.

3.1.1 Independent Study Process Screen

To qualify for inclusion under the Independent Study Process, an Interconnection Customer must pass the electrical independence screen:

The Distribution Provider will determine whether an Interconnection Request can be eligible for study under the Independent Study Process by performing the Electrical Independence Test. The Electrical Independence Test for Interconnection Requests proposing to interconnect to the Distribution System will consist of two parts, (1) the determination of electrical independence for the ISO Grid, and (2) an evaluation by the Distribution Provider of known or reasonably anticipated, in the engineering judgment of the Distribution Provider, relationships to yet-to-be completed Interconnection Studies of earlier queued Generating Facilities to which the Generating Facility under consideration for the Electrical Independence Test is electrically related. The Interconnection Request must pass the determination of electrical independence for the ISO Grid, as well as the Distribution Provider’s evaluation of electrical independence for the Distribution System in order to be eligible for the Independent Study Process.

3.1.1.1 The Determination of Electrical Independence from the ISO Grid

An Interconnection Request will qualify for the Independent Study Process without having to demonstrate electrical independence pursuant to this section if,

at the time the Interconnection Request is submitted, there are no other active Interconnection Requests in the same study area in the current Cluster Study Process, Distributed Group Study Process, or in the Independent Study Process.

Otherwise, an Interconnection Request submitted under the Independent Study Process must pass all of the tests for determining electrical independence set forth in this section in order to qualify for the Independent Study Process. These tests will utilize study results for active Interconnection Requests in the same study area, including Phase I Interconnection study results for Generating Facilities in the current Cluster and any system impact study (or combined system impact and facilities study) results for earlier queued Generating Facilities being studied in the Independent Study Process.

In the event the Interconnection Request fails the determination of electrical independence for the ISO Grid, the Interconnection Request will be required to enter into the Cluster Study Process as set forth in GISP Section 5 or withdraw.

3.1.1.1.1 Flow Impact Test/Behind-the-Meter Capacity Expansion Criteria

An Interconnection Request shall have satisfied the requirements of this Section if it satisfies, alternatively, either the set of requirements set forth in Section 3.1.1.1.1.1 or the set of requirements set forth in Section 3.1.1.1.1.2.

3.1.1.1.1.1 Requirement Set Number One: General Independent Study Requests

The Distribution Provider will perform the flow impact test for an Interconnection Request requesting to be processed under the Independent Study Process as follows:

(i) Identify the transmission facility closest, in terms of electrical distance, to the proposed Point of Interconnection of the Generating Facility being

tested that will be electrically impacted, either as a result of Reliability Network Upgrades identified or reasonably expected to be needed in order to alleviate power flow concerns caused by Generating Facilities currently being studied in a Cluster, or as a result of Reliability Network Upgrades identified or reasonably expected to be needed to alleviate power flow concerns caused by earlier queued Generating Facilities currently being studied through the Independent Study Process. If the current Cluster studies or earlier queued Independent Study Process studies have not yet determined which transmission facilities electrically impacted by the Generating Facility being tested require Reliability Network Upgrades to alleviate power flow concerns, and the Distribution Provider cannot reasonably anticipate whether such transmission facilities will require such Reliability Network Upgrades from other data, then the Distribution Provider will wait to conduct the independence analysis under this section until sufficient information exists in order to make this determination. If the flow impact on a Reliability Network Upgrade identified pursuant to these criteria cannot be tested due to the nature of the Upgrade, then the flow impact test will be performed on the limiting element(s) causing the need for the Reliability Network Upgrade.

(ii) The incremental power flow on the transmission facility identified in Section 3.1.1.1.1.1(i) that is caused by the Generating Facility being tested will be divided by the lesser of the Generating Facility's size or the transmission facility capacity. If the result is five percent (5%) or less, the Generating Facility shall pass the flow impact test. If the Generating Facility being tested is tested against the nearest transmission facility and that transmission facility has been impacted by a cluster that required an upgrade as a result of a contingency, then that contingency will be used when applying the flow impact test.

(iii) If the Generating Facility being tested under the flow impact test is

reasonably expected to impact transmission facilities that were identified, per Section 3.1.1.1.1.1(i), when testing one or more earlier queued Generating Facilities currently being studied through the Independent Study Process, then an additional aggregate power flow test shall be performed on these earlier identified transmission facilities. The aggregate power flow test shall require that the aggregated power flow of the Generating Facility being tested, plus the flow of all earlier queued Generating Facilities currently being studied under the Independent Study Process that were tested against the transmission facilities described in the previous sentence, must be five (5) percent or less of those transmission facilities' capacity. However, even if the aggregate power flow on any transmission facility tested pursuant to this section (iii) is greater than five (5) percent of the transmission facility's capacity but the incremental power flow as a result of the Generating Facility being tested is one (1) percent or less than of the transmission facility's capacity, the Generating Facility shall pass the test. If the Generating Facility being tested is tested against the nearest transmission facility and that transmission facility has been impacted by a cluster that required an upgrade as a result of a contingency, then that contingency will be used when applying the flow impact test.

The Generating Facility being tested must pass both this aggregate test as well as the individual flow test described in Section 3.1.1.1.1.1(ii), in no particular order.

3.1.1.1.1.2 Requirement Set Number Two: for Requests for Independent Study of Behind-the-Meter Capacity Expansion of Generating Facilities

This section applies to an Interconnection Request relating to a behind-the-meter capacity expansion of a Generating Facility. Such an Interconnection Request submitted under the Independent Study Process

will satisfy the requirements of Section 3.1.1.1.1 if it satisfies all the following technical and business criteria:

(i) Technical criteria.

1) The total nameplate capacity of the existing Generating Facility plus the incremental increase in capacity does not exceed in the aggregate one hundred twenty-five (125) percent of its previously studied capacity and the incremental increase in capacity does not exceed, in the aggregate, including any prior behind-the-meter capacity expansions implemented pursuant to this section, one hundred (100) MW.

2) The behind-the-meter capacity expansion shall not take place until after the original Generating Facility has achieved Commercial Operation and all Reliability Network Upgrades for the original Generating Facility have been placed in service. An Interconnection Request for behind-the-meter capacity expansion may be submitted prior to the Commercial Operation Date of the original Generating Facility.

3) The Interconnection Customer must install an automatic generator tripping scheme sufficient to ensure that the total output of the Generating Facility, including the behind-the-meter capacity expansion, does not at any time exceed the capacity studied in the Generating Facility's original Interconnection Request. The Distribution Provider will have the authority to trip the generating equipment subject to the automatic generator tripping scheme or take any other actions necessary to limit the output of the Generating Facility so that the total output of the Generating Facility does not exceed the originally studied capacity.

(ii) Business criteria.

1) The Deliverability Status (Full Capacity, Partial Capacity or Energy Only) of the original Generating Facility will remain the same after the behind-the-meter capacity expansion. The capacity expansion will have Energy-Only Deliverability Status, and the original Generating Facility and the behind-the-meter capacity expansion will be metered separately from one another and be assigned separate Resource IDs, except as set forth in (2) below.

2) If the original Generating Facility has Full Capacity Deliverability Status and the behind-the-meter capacity expansion will use the same technology as the original Generating Facility, the Interconnection Customer may elect to have the original Generating Facility and the behind-the-meter capacity expansion metered together, in which case both the original Generating Facility and the behind-the-meter capacity expansion will have Partial Capacity Deliverability Status and a separate Resource ID will not be established for the behind-the-meter capacity expansion.

3) A request for behind-the-meter expansion shall not operate as a basis under the CAISO Tariff to increase the Net Qualifying Capacity of the Generating Facility beyond the rating which pre-existed the Interconnection Request.

4) The GIA will be amended to reflect the revised operational features of the Generating Facility's behind-the-meter capacity expansion.

5) An active Interconnection Customer may request at any time that the Distribution Provider convert the Interconnection Request for behind-the-meter capacity expansion to an Independent Study Process Interconnection Request to evaluate an incremental increase in electrical output (MW generating capacity) for the existing Generating Facility. The Interconnection Customer must accompany such a

conversion request with an appropriate Interconnection Study Deposit and agree to comply with other sections of Section 3 applicable to an Independent Study Process Interconnection Request.

3.1.1.1.2 Short Circuit Test

The Generating Facility shall pass the short circuit test if (i) the combined short circuit contribution from all the active Interconnection Requests in the Independent Study Process in the same study area is less than five (5) percent of the available capacity of the circuit breaker upgrade identified in Section 3.1.1.1.1.1 and; (ii) total fault duty on each circuit breaker upgrade identified for the current Cluster and active Independent Study Process Interconnection Requests in the same study area is less than eighty (80) percent of the nameplate capacity of the respective circuit breaker upgrade.

3.1.1.1.3 Transient Stability Test

The Generating Facility shall pass the transient stability test if the Generating Facility has requested interconnection in a study area where transient stability issues are not identified for active Interconnection Requests in the current Cluster or Independent Study Process.

3.1.1.1.4 Reactive Support Test

The Generating Facility shall pass the reactive support test if the Generating Facility has requested interconnection in a study area where reactive support needs are not identified as requiring Reliability Network Upgrades for active Interconnection Requests in the current Cluster or Independent Study Process.

3.1.1.2 The Distribution Provider evaluation of Electrical Independence for the

Distribution System

Distribution Provider will evaluate each Interconnection Request for known or reasonably anticipated, in the engineering judgment of the Distribution Provider, relationships between the Interconnection Request and any earlier-queued Interconnection Requests in the Fast Track Process, the Independent Study Process, the Cluster Study Process, any predecessor interconnection procedures, or under Rule 21, that have yet to complete their respective studies or reviews. Distribution Provider will use existing Interconnection Studies, Base Case Data, overall system knowledge, and engineering judgment to determine whether an Interconnection Request can be studied independently of earlier-queued Interconnection Requests. If the Interconnection Request being evaluated for electrical independence on the Distribution System may be related to earlier-queued Generating Facilities that have yet to complete their respective studies or reviews, then it fails the evaluation of electrical independence for the Distribution System.

In the event that the Interconnection Request passes the determination of electrical independence for the ISO Grid, but does not pass the determination of electrical independence for the Distribution System, the Interconnection Request will be required to enter into the Distribution Group Study Process as set forth in GISP Section 4 or withdraw.

3.1.1.3 The Distribution Provider will inform an Interconnection Customer whether it has satisfied the requirements set forth in Section 3.1.1 within twenty (20) Business Days from deeming the Interconnection Request complete pursuant to Section 1.3. Any Interconnection Request that does not satisfy the criteria set forth in Section 3.1.1 shall be given the option of entering into the Distribution Group Study Process or Cluster Study Process (as applicable). The Interconnection Customer shall inform the Distribution Provider within 15 BD of the notification of failure of the

Electrical Independence Test of its choice to enter the Distribution Group Study Process or Cluster Study Process. If the Interconnection Customer fails to inform the Distribution Provider of their decision within the timeframe above, the Interconnection Request will be deemed withdrawn.

An Interconnection Request that fails the Electrical Independence Test, including either the ISO test for independence under GISP Section 3.1.1.1 or the Distribution Provider test for independence under Section 3.1.1.2, will be required to wait until the next Distribution Group Study Window, Cluster Window, or twelve (12) months from the date the Interconnection Customer was informed of the failure of the Electrical Independence Test to resubmit an Interconnection Request within a similar Point of Interconnection, unless all of the relevant studies or reviews have been completed for the queued-ahead Interconnection Requests that were the cause of the Interconnection Request failing the Section 3.1.1.2 test. A similar Point of Interconnection is any Point of Interconnection that would be electrically related to the original Interconnection Request that failed the Electrical Independence Test.

3.2 Processing of Interconnection Request

3.2.1 Initiating an Interconnection Request

To initiate an Interconnection Customer under the Independent Study Process, Interconnection Customer must submit all of the following:

(i) A nonrefundable $800 Interconnection Request fee and Interconnection Study Deposit:

For a Generating Facility with a Gross Nameplate Rating of 5 MW or less, Interconnection Customer must submit an Interconnection Study Deposit of $10,000 for the Interconnection System Impact Study, and where an Interconnection Facilities Study is required, an additional $15,000 deposit

must be submitted pursuant to Section 3.6.1;

For a Generating Facility with a Gross Nameplate Rating above 5 MW, Interconnection Customer must submit an Interconnection Study Deposit equal to $50,000 plus $1,000 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole megawatt, up to a maximum of $250,000;

(ii) A completed Interconnection Request in the form of Appendix 1, including requested deliverability status, preferred Point of Interconnection and voltage level, and all other technical data; and

(iii) Demonstration of Site Exclusivity. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

3.2.2 Use of Interconnection Study Deposit

The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider, the ISO, or third parties at the direction of the Distribution Provider or ISO, as applicable, to perform and administer the Interconnection Studies. The Interconnection Study Deposits shall be refundable as follows:

(i) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GISP Section 9.1 on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the

Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(ii) Should an Interconnection Request made under GISP Section 3.2.1 be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GISP Section 9.1 more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GISP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Interconnection System Impact Study, the Distribution Provider shall refund to the Interconnection Customer the greater of the difference between the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of $100,000, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(iii) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GISP Section 9.1 at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GISP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Interconnection System Impact Study, the Interconnection Study Deposit shall be nonrefundable.

(iv) Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the

Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. The Distribution Provider will reimburse the ISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results. Any proceeds of the Interconnection Study Deposit not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed to be incurred for the Interconnection Studies shall be remitted to the ISO and treated in accordance with the current ISO interconnection procedures or any successor tariff.

3.3 Scoping Meeting

3.3.1 A Scoping Meeting will be scheduled within ten (10) Business Days after the Interconnection Request is deemed complete pursuant to Section 1.3 and is deemed to have passed the electrical independence screen, or as otherwise mutually agreed to by the Parties. The Distribution Provider and the Interconnection Customer will bring to the meeting personnel, including system engineers and other resources as may be reasonably required to accomplish the

purpose of the meeting.

3.3.2 The purpose of the Scoping Meeting is to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request. The Parties shall further discuss whether the Distribution Provider should perform an Interconnection System Impact Study, or proceed directly to an Interconnection Facilities Study, or an interconnection agreement. If the Parties agree that an Interconnection System Impact Study should be performed, the Distribution Provider shall provide the Interconnection Customer, as soon as possible, but not later than fifteen (15) Business Days after the Scoping Meeting, an Interconnection System Impact Study agreement (Attachment 7) including an outline of the scope of the study.

3.3.3 The Scoping Meeting may be omitted by mutual agreement. Within five (5) Business Days following the Scoping Meeting, or after the Interconnection Request has been deemed complete if Scoping Meeting is omitted, the Interconnection Customer shall designate the Point of Interconnection for the Interconnection System Impact Study otherwise, Distribution Provider shall use the information provided in the Interconnection Request. The Distribution Provider shall provide the Interconnection Customer, no later than fifteen (15) Business Days after the Scoping Meeting or after the Interconnection Request has been deemed complete if Scoping Meeting is omitted, an Interconnection System Impact Study agreement including an outline of the scope of the study. In order to remain in consideration for interconnection, an Interconnection Customer must return the executed Interconnection System Impact Study (Attachment 7) agreement within thirty (30) Business Days after the Distribution Provider provides the Interconnection Customer with the Interconnection System Impact Study agreement. In the case where one or both Interconnection Studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.

3.4 Request for Full Capacity Deliverability Under The Independent Study Process

Unless specified otherwise in the Interconnection Request, Generating Facilities studied under the Independent Study Process will be assumed to have selected Energy-Only Deliverability Status. If an Interconnection Customer requests Full Capacity Deliverability Status in its Interconnection Request for the Independent Study Process, the Generating Facility will initially be studied in the Independent Study Process as Energy-Only Deliverability Status. The Deliverability Assessment for Interconnection Requests in the Independent Study Process that request Full Capacity Deliverability Status will be performed in conjunction with the next available Cluster Study Process pursuant to Section 5 of this GISP, or as part of the additional Deliverability Assessment options as set forth in Section 5.13 of this GISP.

3.5 Interconnection System Impact Study

3.5.1 An Interconnection System Impact Study shall identify and detail the electric system impacts that would result if the proposed Generating Facility were interconnected without project modifications or electric system modifications to study potential impacts, including but not limited to those identified in the Scoping Meeting. An Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the electric system.

3.5.2 If potential Adverse System Impacts on the Distribution System are identified in the Scoping Meeting, an Interconnection System Impact Study must be performed. The Distribution Provider shall send the Interconnection Customer an Interconnection System Impact Study agreement pursuant to Section 3.3.

3.5.3 In order to remain under consideration for interconnection, the Interconnection Customer must return executed Interconnection System Impact Study agreements pursuant to Section 3.3.3.

3.5.4 The scope of and cost responsibilities for an Interconnection System Impact Study are described in the attached Interconnection System Impact Study agreement.

3.5.5 Affected Systems

3.5.5.1 Where Transmission Systems and Distribution Systems have separate owners, such as is the case with transmission-dependent utilities ("TDUs") – whether investor-owned or not – the Interconnection Customer may apply to the nearest transmission provider (transmission owner, regional transmission operator, or independent transmission provider) providing transmission service to the TDU to request project coordination. Affected Systems shall participate in the study and provide all information necessary to prepare the study.

3.5.5.2 At any time during the interconnection study process should the Distribution Provider identify that an Affected System may be impacted by the Interconnection Customer's proposed project, the Distribution Provider will follow the Affected System notification procedures and timelines detailed in Section 6.10.1 of this WDT GISP. Should the Affected System agree there is a potential impact, the Interconnection Customer will coordinate with the Affected System to complete an Affected System Study and provide a copy of that study to the Distribution Provider within ten (10) Business Days of its completion. During the Affected System Study process, the Distribution Provider and Interconnection Customer will continue to move forward on the interconnection procedures and timelines detailed in this GISP.

3.5.6 Once the required Interconnection System Impact Study is completed, an Interconnection System Impact Study report shall be prepared and transmitted to the Interconnection Customer. The Interconnection Customer shall request a results meeting within ten (10) Business Days of the issuance of the System Impact Study Report. This Results Meeting shall be held among the Distribution Provider, the ISO, if applicable, and the Interconnection Customer to discuss the results of the Interconnection System Impact Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution

Provider shall contact Interconnection Customer to establish a date agreeable to Interconnection Customer, Distribution Provider and the ISO, if applicable, for the Results Meeting.

If the Interconnection Customer does not request a results meeting within the time specified above, the results meeting will be deemed waived.

Within either (i) five (5) Business Days following the results meeting, or (ii) within twenty-five (25) Business Days of the transmittal of the Interconnection System Impact Study report to the Interconnection Customer, the Distribution Provider will provide to the Interconnection Customer an Interconnection Facilities Study agreement and an invoice to perform the Interconnection Facilities Study for Generating Facilities with gross nameplate rating of 5MW or less. In the case where one or both Interconnection Studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.

3.5.7 Initial Posting of Interconnection Financial Security

The Interconnection Customer shall make its initial posting of Interconnection Financial Security in accordance with the requirements of Section 6.9 of this GISP, or its Interconnection Request shall be deemed withdrawn.

3.5.8 Modifications in Between the Interconnection System Impact Study and Interconnection Facilities Study

At any time during the course of the Interconnection Studies, the Interconnection Customer, the Distribution Provider, or the ISO, as applicable, may identify changes to the planned interconnection that may improve the costs and benefits, including reliability, of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Distribution Provider, the ISO, as applicable, and Interconnection Customer, such acceptance not to be unreasonably withheld,

Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

At the Interconnection System Impact Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the Distribution Provider issues the Interconnection System Impact Study, but no later than five (5) Business Days following the Interconnection System Impact Study Results Meeting, the Interconnection Customer shall submit to Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. Any such requests for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment 2 of this GISP. The Distribution Provider will forward the Interconnection Customer's request for modification to the ISO, if applicable, within two (2) Business Days of receipt.

Modifications permitted under this Section shall include specifically: (a) a decrease in the electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. As the Interconnection Requests in the Independent Study Process are studied as Energy-Only Deliverability Status for purposes of the Interconnection System Impact Study and the Interconnection Facilities Study, and the Deliverability Assessment is performed only as part of the next available Cluster Study Process, there is no ability for the Interconnection Customer to switch from Full Capacity Deliverability Status to Energy-Only Deliverability Status in between the Interconnection System Impact Study and Interconnection Facilities Study.

If the proposed modification is determined to be a Material Modification, the Interconnection Customer may either withdraw the proposed modification or

proceed with a new Interconnection Request for such modification. Interconnection Customer shall make such determination within ten (10) Business Days after being provided the Material Modification determination results.

For any other modification, the Interconnection Customer may first request that Distribution Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Distribution Provider, in coordination with the ISO and any Affected System Operator, if applicable, 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 for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this GISP Section 3.5.8, shall constitute a Material Modification. Interconnection Customer may then either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. The Interconnection Customer shall remain eligible to proceed with the Facilities Study if the modifications are in accordance with this Section 3.5.8.

3.6 Interconnection Facilities Study

3.6.1 In order to remain under consideration for interconnection, or, as appropriate, in the Distribution Provider's interconnection queue, the Interconnection Customer must submit the Interconnection Facilities Study deposit and return the executed Interconnection Facilities Study agreement within thirty (30) Business Days of receipt of the Interconnection Facilities Study agreement. The Interconnection Customer may forgo this Interconnection Facilities Study and move directly to an Interconnection Agreement pursuant to Section 6.8 if it agrees in writing to be responsible for all actual costs of all required facilities deemed necessary by the Distribution Provider.

3.6.2 The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including

overheads) needed to implement the conclusions of the Interconnection System Impact Study(ies).

3.6.3 Design for any required Interconnection Facilities and/or Upgrades shall be performed under the Interconnection Facilities Study agreement. The Distribution Provider may contract with consultants to perform activities required under the Interconnection Facilities Study agreement. The Interconnection Customer and the Distribution Provider may agree to allow the Interconnection Customer to separately arrange for the design of some of the Interconnection Facilities. In such cases, facilities design will be reviewed and/or modified prior to acceptance by the Distribution Provider, under the provisions of the Interconnection Facilities Study agreement. If the Parties agree to separately arrange for design and construction, and provided security and confidentiality requirements can be met, the Distribution Provider shall make sufficient information available to the Interconnection Customer in accordance with confidentiality and critical infrastructure requirements to permit the Interconnection Customer to obtain an independent design and cost estimate for any necessary facilities.

3.6.4 The scope of and cost responsibilities for the Interconnection Facilities Study are described in the attached Interconnection Facilities Study agreement.

3.6.5 Second Posting of Interconnection Financial Security

The Interconnection Customer will post its second posting of Interconnection Financial Security in accordance with the instructions provided in Section 6.9 of this GISP, or its Interconnection Request shall be deemed withdrawn.

3.6.6 If requested by the Interconnection Customer, a Results Meeting shall be held among Distribution Provider, the ISO, if applicable, and Interconnection Customer to discuss the results of the Interconnection Facilities Study, including assigned cost responsibility. Within five (5) Business Days of the request, Distribution Provider shall contact Interconnection Customer to establish a date agreeable to Interconnection Customer, Distribution Provider and the ISO, if

applicable, for the Results Meeting.

3.6.7 Distribution Provider shall tender a draft GIA, together with draft appendices within thirty (30) Calendar Days of the Distribution Provider issuing the Interconnection Facilities Study report to Interconnection Customer, or within thirty (30) Calendar Days of an Interconnection Facilities Study Results Meeting if requested. Refer to Section 6.8 for time frames for completing the GIA.

3.7 Deliverability Assessment

Interconnection Customers that request Full Capacity Deliverability Status will have a Deliverability Assessment performed as part of the next available Cluster Study Process. If the succeeding Deliverability Assessment identifies any Delivery Network Upgrades that are triggered by the Interconnection Request, the Interconnection Customer will be responsible to pay its proportionate share of the costs of those Upgrades, pursuant to Section 3.10 of this GISP. If the Generating Facility achieves its Commercial Operation Date before the Deliverability Assessment is completed and any necessary Delivery Network Upgrades are yet to be constructed, the proposed Generating Facility will be treated as an Energy-Only Deliverability Status Generating Facility until such time as the Delivery Network Upgrades are constructed and in service. If the Interconnection Customer and Distribution Provider have executed a GIA before the Deliverability Assessment is completed and any necessary Delivery Network Upgrades are allocated to Interconnection Customer, the GIA will be amended to include the Interconnection Customer's financial responsibility for the Delivery Network Upgrades.

3.8 Extensions of Commercial Operation Date

Extensions of the Commercial Operation Date will be agreed upon in the executed GIA. Reasonable Commercial Operation Dates will be discussed at the Interconnection Facilities Study Results Meeting or the System Impact Study Results Meeting if the Interconnection Facilities Study is waived. Interconnection Requests under the Independent Study Process will not be granted extensions except in circumstances beyond the control of Interconnection Customer. This provision has no impact on any

power purchase agreement terms.

3.9 Financing of Distribution Provider's Interconnection Facilities, Distribution Upgrades and Reliability Network Upgrades

The responsibility to finance Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Reliability Network Upgrades identified in the Interconnection Facilities Study shall be assigned solely to the applicable Interconnection Customer.

3.10 Financing of Delivery Network Upgrades

The responsibility to finance Delivery Network Upgrades identified in the On-Peak Deliverability Assessment and Off-Peak Deliverability Assessment as part of the Cluster Study Process for Interconnection Requests seeking Full Capacity Deliverability Status, including Interconnection Requests studied under the Independent Study Process shall be assigned to all Interconnection Requests selecting Full Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology set forth in ISO Tariff GISP.

3.11 Final Interconnection Financial Security For Generating Facilities In The Independent Study Process

The Interconnection Customer must post Final Interconnection Financial Security following execution of the GIA pursuant to Section 6.9 of this GISP in order to remain in the interconnection process. Failure to do so will result in Interconnection Customer Default on the executed Agreement.

Section 4. Distribution Group Study Process

4.1 Initiation of Distribution Group Study Process

Interconnection Customers that apply for the Independent Study Process and have passed the determination of independence on the ISO Grid, but did not pass the determination of electrical independence for the Distribution System, are eligible for inclusion in a Distribution Study Group. Alternatively, an Interconnection Customer can apply directly to the Distribution Group Study Process (DGSP) by submitting an Interconnection Request during the Distribution Group Study window.

4.2 Timing for Submitting Interconnection Requests

Interconnection Requests applying directly for the DGSP must apply during the Distribution Group Study Application Window available twice each year. The first DGSP Application Window will open on March 1 and close on March 31 of each year. The second DGSP Application Window will open on September 1 and close on September 30 of each year. Each of these Windows will result in a list of participating projects. These projects will be placed into Distribution Groups by the Distribution Provider and the Electrical Interdependence Test completed for each group. Each Distribution Study Group will proceed into the Phase 1 Distribution Group Study once the Electrical Interdependence Test and Scoping Meeting are completed.

4.3 Processing of Interconnection Request

4.3.1 Initiating an Interconnection Request

To initiate an Interconnection Request under the Distribution Group Study Process, Interconnection Customer must submit all of the following:

(i) A nonrefundable $800 Interconnection Request fee and conditionally refundable Interconnection Study Deposit (See Section 4.3.2 of this GISP for situations in which a deposit is non-refundable):

For a Generating Facility with a Gross Nameplate Rating of 5 MW or less,

Interconnection Customer must submit an Interconnection Study Deposit of $10,000 for the DGSP Phase I Interconnection Study, and where a DGSP Phase II Interconnection Study is required, an additional $15,000 deposit must be submitted;

For a Generating Facility with a Gross Nameplate Rating above 5 MW, Interconnection Customer must submit an Interconnection Study Deposit equal to $50,000 plus $1,000 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole megawatt, up to a maximum of $250,000;

(ii) A completed Interconnection Request including Appendix A, the requested deliverability status, preferred Point of Interconnection and associated voltage level, and all other technical data; and

(iii) Demonstration of Site Exclusivity. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

4.3.2 Use of Interconnection Study Deposit

The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider, the ISO, or third parties at the direction of the Distribution Provider or ISO, as applicable, to perform and administer the Interconnection Studies. The Interconnection Study Deposits shall be refundable as follows:

(i) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GISP Section 9.1 on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the

Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(ii) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GISP Section 9.1 more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GISP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the DGSP Phase I Interconnection Study, the Distribution Provider shall refund to the Interconnection Customer the greater of the difference between the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of $100,000, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

(iii) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under GISP Section 9.1 at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GISP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the DGSP Phase I Interconnection Study, the Interconnection Study Deposit shall be nonrefundable.

(iv) Upon execution of a GIA by an Interconnection Customer and the

Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably committed to be incurred with respect to that Interconnection Request prior to withdrawal.

Using the withdrawn Interconnection Customer's study deposit or payments made by the Interconnection Customer in addition to that deposit, the Distribution Provider will reimburse the ISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results.

Non-refundable Study Deposits for Interconnection Requests in a Distribution Study Group shall be applied first to the costs associated with any following Interconnection Study or restudy work performed by Distribution Provider, CAISO, or third party for the withdrawn Interconnection Request's Distribution Study Group. Any remaining proceeds of the Study Deposit, after the withdrawn Interconnection Request's Distribution Study Group has completed all relevant Interconnection Studies or restudies, or all Interconnection Requests associated with the specific Distribution Study Group have withdrawn, not otherwise applied to costs incurred, or irrevocably committed to be incurred for the Interconnection Studies or restudies, shall be allocated to individual Interconnection Customers on

a kVA basis who have remained in the Distribution Study Group by executing a GIA.

Such funds shall be allocated to Interconnection Customers sixty (60) Calendar Days following the conclusion of the GIA negotiation pursuant to Section 6.8.

4.4 Electrical Independence Test

In order for Distribution Study Groups to qualify for the Distribution Group Study Process, the Distribution Study Group must first be determined to independent from the ISO Grid utilizing the methodology shown in Section 3.1.1.1 above. Distribution Provider shall provide this assessment to each Interconnection Customer in a Distribution Study Group within thirty (30) Business Days of the close of the window, using the best available information about projects that have entered the Distribution Group Study Process under both PG&E's Rule 21 and WDT. If a Distribution Study Group is found to be dependent on the ISO Grid, then all of the Interconnection Requests contained within the Distribution Study Group will be transitioned to the Cluster Study Process in the next available Cluster Application Window, unless withdrawn by the Interconnection Customer. In the event that the Cluster Study Process and the Distribution Group Study Process align (during the March windows), the Interconnection Requests in the Distribution Study Group (both Federal and State jurisdiction) will immediately be transitioned to the Cluster Study Process under these procedures.

4.5 Scoping Meeting

Within five (5) Business Days after Distribution Provider provides the results of the Electrical Independence Test, it will contact the Interconnection Customer(s) to notify them that they are eligible for the Distribution Group Study Process and establish a date agreeable to the Interconnection Customer and Distribution Provider for a scoping meeting.

The Distribution Provider, in coordination with the ISO, shall determine whether the Interconnection Request is at or near the boundary of an Affected System(s) so as to

potentially impact such Affected System(s). If a determination of potential impact is made, the Distribution Provider shall invite the Affected System Operator(s) in accordance with GISP Section 6.10 to the Scoping Meeting by informing them of the time and place of the scheduled Scoping Meeting as soon as practicable.

The purpose of the Scoping Meeting shall be to discuss reasonable Commercial Operation Dates, alternative interconnection options, to exchange information including any distribution data or transmission data that would reasonably be expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection and eliminate unviable alternatives given resources and other available information.

The Distribution Provider will bring to the meeting, as reasonably necessary to accomplish its purpose, the following: (a) already available technical data, including, but not limited to, (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues, and (b) general information regarding the number, location, and capacity of other Interconnection Requests in the Interconnection Study Process that may potentially form a Distribution Study Group with the Interconnection Customer's Interconnection Request. The Interconnection Customer will bring to the Scoping Meeting, in addition to the technical data in Appendix A to GISP Attachment 2, any system studies previously performed. The Distribution Provider, the ISO if applicable, and the 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. During the meeting, the Interconnection Customer shall designate its Point of Interconnection. The duration of the meeting shall be only what is sufficient to accomplish its purpose.

With fifteen (15) Business Days after the scoping meeting, Distribution Provider shall provide the Interconnection Customer with a Generator Interconnection Study Process Agreement (GISPA), which shall contain an outline of the scope of the DGSP Phase I Interconnection Study and the DGSP Phase II Interconnection Study and shall specify that the Interconnection Customer is responsible for the actual cost of the Interconnection

Studies, including reasonable administrative costs. The Interconnection Customer shall execute and deliver to Distribution Provider the GISPA no later than thirty (30) Business Days after the scoping meeting or the start date of the DGSP Phase I Interconnection Study, whichever is earlier, or the Interconnection Request shall be deemed withdrawn.

4.6 Grouping of Interconnection Requests for a Distribution Group Study

The results of the Electrical Independence Test with respect to the Distribution System, as described in Section 3.1.1.2, will determine the Interconnection Requests to be grouped together for each Distribution Group Study. Each Distribution Study Group will consist of Interconnection Requests that are determined to be electrically interdependent. No later than the date the DGSP Phase I Interconnection Study begins, the Distribution Provider send to each Interconnection Customer in a Distribution Study Group a list of the Interconnection Requests in its Distribution Study Group.

At the Distribution Provider's option, an Interconnection Request received during a particular Distribution Group Study Process Application Window may be studied individually (Independent Study Process) or in a Distribution Group Study for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study received within the same Distribution Group Study Application Window, the Distribution Provider may develop one or more Distribution Study Groups.

4.7 Timing of the DGSP Phase I Interconnection Study

Absent extraordinary circumstances, Distribution Provider shall complete and issue a DGSP Phase I Interconnection Study report within sixty (60) Business Days from the start of the study.

At any time Distribution Provider determines that it will not meet the required time frame for completing the DGSP Phase I Interconnection Study, Distribution Provider shall notify all Interconnection Customers in the Distribution Study Group as to the status of the DGSP Phase I Interconnection Study and provide an estimated completion date with

an explanation of the reasons why additional time is required.

Upon request, Distribution Provider shall provide any Interconnection Customer in the Distribution Study Group all relevant supporting documentation, work papers, and pre-Interconnection Request and post-Interconnection Request power flow, short circuit and dynamic/stability databases, and currently planned Distribution Upgrades relevant to the Interconnection Request for the DGSP Phase I Interconnection Study. Interconnection Customer may be required to sign a non-disclosure agreement with terms consistent with Section 6.5 "Confidentiality."

If applicable, Distribution Provider will share the applicable study results with the CAISO for review and comment, and will incorporate CAISO comments, if any, into the study report prior to issuing a DGSP Phase I Interconnection Study report to Interconnection Customers in the Distribution Study Group.

4.7.1 Affected Systems Impacts and Notification. At any time during the interconnection study process should the Distribution Provider identify that an Affected System may be impacted by the Interconnection Customer's proposed project, the Distribution Provider will follow the Affected System notification procedures and timelines detailed in Section 6.10.1 of this WDT GISP. Should the Affected System agree there is a potential impact, the Interconnection Customer will coordinate with the Affected System to complete an Affected System Study and provide a copy of that study to the Distribution Provider within ten (10) Business Days of its completion. During the Affected System Study process, the Distribution Provider and Interconnection Customer will continue to move forward on the interconnection procedures and timelines detailed in this GISP.

4.8 DGSP Phase I Interconnection Study Results Meeting

If requested by an Interconnection Customer in a Distribution Study Group or Distribution Provider, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and the Interconnection Customer to discuss the results of the DGSP Phase I Interconnection Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact the Interconnection

Customer to establish a date agreeable to the Interconnection Customer, Distribution Provider, and the CAISO, if applicable, for the results meeting. If the Interconnection Customer or Distribution Provider has requested a results meeting, it must be completed within thirty (30) Calendar Days after issuance of the DGSP Phase I Interconnection Study report, unless otherwise agreed upon by the Distribution Provider and the Interconnection Customer.

At the DGSP Phase I Interconnection Study results meeting, the Interconnection Customer shall provide a schedule outlining key milestones including environmental survey start date, expected environmental permitting submittal date, expected procurement date of project equipment, back-feed date for project construction, and expected project construction date. This will assist the parties in determining if proposed Commercial Operation Dates are reasonable. If large scale Distribution Provider's Interconnection Facilities or Distribution Upgrades for the Generating Facility have been identified in the DGSP Phase I Interconnection Study, such as telecommunications equipment, distribution feeders to support back feed, a new substation, and/or expanded substation work, permitting and material procurement lead times may result in the need to alter the proposed Commercial Operation Date, the Interconnection Customer and Distribution Provider may agree to a new Commercial Operation Date. In addition, where an Interconnection Customer intends to establish Commercial Operation separately for different Electric Generating Units or project phases at its Generating Facility, it may only do so in accordance with an implementation plan agreed to in advance by the Distribution Provider and the CAISO, if applicable, which agreement shall not be unreasonably withheld.

Where the parties cannot agree to a revised Commercial Operation Date, the Commercial Operation Date determined reasonable by the Distribution Provider will be used for the DGSP Phase II Interconnection Study, or the GIA if the DGSP Phase II Interconnection Study is waived, where the revised Commercial Operation Date is needed to accommodate the anticipated completion, assuming Reasonable Efforts by the Distribution Provider of necessary Distribution Upgrades and/or Distribution Provider's

Interconnection Facilities, pending the outcome of any relief sought by the Interconnection Customer. The Interconnection Customer must notify the Distribution Provider within five (5) Business Days following the results meeting if it is initiating dispute procedures under Section 5.2.

Within five (5) Business Days following the DGSP Phase I Interconnection Study results meeting, the Interconnection Customer shall submit to the Distribution Provider all requested information. If no DGSP Phase I Interconnection Study results meeting is held, the Interconnection Customer shall submit to Distribution Provider any requested information within thirty (30) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report.

4.9 Initial Postings of Interconnection Financial Security

Following completion of the DGSP Phase 1 Study, the Interconnection Customer must post an initial Interconnection Financial Security in accordance with the instructions provided in Section 6.9 of this GISP in order to remain in the Interconnection Distribution Group Study Process.

4.10 Modifications

At any time during the course of the Interconnection Studies but no later than five (5) Business Days after the Phase 1 Study results meeting, the Interconnection Customer, Distribution Provider, or the CAISO, as applicable, may identify changes to the planned Interconnection that may improve the costs and benefits (including reliability) of the Interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Distribution Provider, the CAISO, as applicable, and the Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the project configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

At the DGSP Phase I Interconnection Study results meeting, if elected by the

Interconnection Customer or Distribution Provider, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the issuance of the DGSP Phase I Interconnection Study report, but no later than five (5) Business Days following the DGSP Phase I Interconnection Study results meeting, the Interconnection Customer shall submit to the Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. Any such requests for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment 2 of this GISP. Distribution Provider will forward the Interconnection Customer's request for modification to the CAISO, if applicable, within two (2) Business Days of receipt.

If no DGSP Phase I Interconnection Study results meeting is held, the Interconnection Customer shall submit to Distribution Provider any requested modifications within thirty (30) Calendar Days of the issuance of the Phase I Interconnection Study report.

Modifications permitted under this section shall include specifically:

(i) a decrease in the electrical output (MW) of the proposed Generating Facility;

(ii) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;

(iii) modifying the interconnection configuration

For any modifications other than those permitted above, Distribution Provider, in coordination with CAISO, if applicable, will evaluate whether the proposed modification to the Interconnection Request constitutes a Material Modification. Distribution Provider will inform the Interconnection Customer in writing whether the modifications would constitute a Material Modification within ten (10) Business Days of receipt of the proposed request for modification. Any change to the Point of Interconnection, except for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this section, shall constitute a Material Modification.

If the proposed Modification is determined to be a Material Modification, the Interconnection Customer may either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. The Interconnection Customer shall make such determination within ten (10) Business Days after being provided the Material Modification results.

Proposed modifications determined not to be Material Modifications may still necessitate a re-evaluation of the DGSP Phase I Interconnection Study to determine modifications to the Interconnection Facilities, Distribution Upgrades, and Network Upgrades. Such re-evaluation will occur at the start of the DGSP Phase II Interconnection Study.

4.11 Scope and Purpose of the DGSP Phase II Interconnection Study and Study Deposit

Within either (i) five (5) Business Days following the DGSP Phase I Interconnection Study results meeting, or (ii) within thirty (30) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report if no DGSP Phase I Interconnection Study results meeting is held, the Interconnection Customer shall submit to the Distribution Provider the data required by Distribution Provider, including a completed GISPA Appendix B and associated submittals. Within thirty (30) Business Days of the issuance of the DGSP Phase I Interconnection Study report, for Generating Facilities 5 MW or less, the Interconnection Customer shall submit the DGSP Phase II Interconnection Study deposit, as set out in Section 4.3.1, unless the DGSP Phase II Interconnection Study is waived in accordance with Section 4.12.

4.12 Waiver of the DGSP Phase II Interconnection Study

The DGSP Phase II Interconnection Study may be waived if Distribution Provider and all Interconnection Customers included in the DGSP Phase II Interconnection Study mutually agree to such waiver within thirty (30) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report. Within thirty (30) Calendar Days after the Distribution Provider and Interconnection Customers agree to waive the DGSP Phase II Interconnection Study, Distribution Provider shall tender a draft GIA, together with draft appendices, to the Interconnection Customers. The Interconnection Customer is

responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution and Transmission System.

4.13 DGSP Phase II Interconnection Study Procedures

Distribution Provider shall utilize existing studies to the extent practicable in conducting the DGSP Phase II Interconnection Study. The Distribution Provider shall commence the DGSP Phase II Interconnection Study within sixty (60) Calendar Days of the issuance of the DGSP Phase I Interconnection Study report.

Distribution Provider shall complete and distribute to Interconnection Customers the DGSP Phase II Interconnection Study reports within sixty (60) Business Days after the commencement of each DGSP Phase II Interconnection Study. The Distribution Provider will issue a DGSP Phase II Interconnection Study report to the Interconnection Customer.

At the request of the Interconnection Customer, or at any time the Distribution Provider determines that it will not meet the required time frame for completing the DGSP Phase II Interconnection Study, Distribution Provider shall notify the Interconnection Customer as to the schedule status of the DGSP Phase II Interconnection Study and provide an estimated completion date. If the Distribution Provider is unable to complete the DGSP Phase II Interconnection Study in the time specified, such notice shall provide an explanation of the reasons why additional time is required.

Upon request of the Interconnection Customer, Distribution Provider shall provide the Interconnection Customer all supporting documentation, work papers, and relevant pre-Interconnection Request and post-Interconnection Request power, short circuit, and stability databases for the DGSP Phase II Interconnection Study, subject to confidentiality arrangements consistent with Section 6.5.

The Distribution Provider will conduct a DGSP Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous DGSP Phase I Interconnection Study. The DGSP Phase II Interconnection Study shall (i) update, as necessary, analyses performed in the DGSP Phase I Interconnection Study to account for

the withdrawal of Interconnection Requests or other projects in the Interconnection Study Process, (ii) identify Distribution Upgrades need to physically interconnect the Generating Facility, (iii) assign cost responsibility for the Distribution Upgrades, (iv) identify for each Interconnection Request a final Point of Interconnection and Distribution Provider's Interconnection Facilities, (v) provide an estimate for each Interconnection Request of the Distribution Provider's Interconnection Facilities, and (vi) optimize in-service timing requirements based on operational studies in order to maximize achievement of the Commercial Operation Dates of the Generating Facilities, as applicable.

4.14 DGSP Phase II Interconnection Study Results Meeting

If requested by an Interconnection Customer in a Distribution Study Group, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and the Interconnection Customer to discuss the results of the DGSP Phase II Interconnection Study, including selection of the final Commercial Operation Date and assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact the Interconnection Customer to establish a date agreeable to the Interconnection Customer, Distribution Provider, and the CAISO, if applicable, for the results meeting. If the Interconnection Customer wants to have a meeting, it must be completed within (30) Calendar Days after issuance of the DGSP Phase II Interconnection Study report, unless mutually agreed upon by the Distribution Provider and the Interconnection Customer.

4.15 Second Posting of Interconnection Financial Security

Following completion of the Phase 2 Study, the Interconnection Customer must post a Second Interconnection Financial Security pursuant to Section 6.9 of this GISP in order to remain in the Interconnection Distribution Group Study Process.

If no Phase 2 Study is performed, or if the start date for Construction Activities of Network Upgrades, Distribution Provider Interconnection Facilities, and Distribution

Upgrades on behalf of the Interconnection Customer is prior to one hundred twenty (120) Calendar Days after publication of the final Distributed Group Study report, that start date must be set forth in the Interconnection Customer's GIA and the Interconnection Customer shall make its next Interconnection Financial Security posting in accordance with the Final Financial Security Posting instructions provided in this GISP Section 6.9.

4.16 Withdrawal and Reallocation

If at any time, an Interconnection Request is withdrawn or a Generator Interconnection Agreement is terminated, the upgrades identified in the Interconnection Studies will be re-evaluated to determine if they are still needed. If the Distribution Provider determines that a restudy is needed, it will be conducted pursuant to this GISP Section 4.17. Any costs identified in the Distribution Group Study not already funded by Interconnection Financial Security that has been posted by the withdrawing Interconnection Customer, will be the responsibility of remaining Interconnection Customers in the Distribution Group and will be reallocated per this GISP Section 4.18

4.17 Restudy

If a restudy is required following the issuance of the DGSP Phase II Interconnection Study, or the DGSP Phase I Interconnection Study if the DGSP Phase II Interconnection Study is waived, due to a project withdrawal, Distribution Provider shall notify the remaining Interconnection Customers in writing.

The restudy report shall be completed and provided to each Interconnection Customer remaining in the Distribution Study Group within sixty (60) Business Days of the withdrawal of the Interconnection Request that caused the restudy. The remaining Interconnection Requests in the Distribution Study Group will be responsible for the cost of the restudy.

4.18 Cost Allocation

The costs of Interconnection Facilities will be assigned to the triggering Interconnection Request. Costs of Distribution Upgrades or Network Upgrades identified through a Distribution Group Study shall be allocated pro rata among the Interconnection Requests in a Distribution Study Group based on nameplate kilovolt amperes (kVA) and, in some instances, based on an Interconnection Request's specific contributions to the upgrade costs as determined by the Distribution Provider. Costs for upgrades will be allocated based upon an Interconnection Request's specific contributions to a particular upgrade only if the Distribution Provider determines that, based on overall fairness to the Distribution Study Group, the individual Interconnection Request should be responsible for the costs rather than the entire Distribution Study Group. Cost allocation within the Distribution Study Group will not always align with cost contribution under a per kVA plus specific contribution allocation method. The DGSP Phase I and Phase II study reports will indicate how cost allocation is determined. Examples of possible shared costs include but are not limited to: upgraded transformers, reconductoring, circuit switchers, and breakers.

4.19 Automatic Timing Extension

If during any six month period, the number of Interconnection Requests exceeds by fifty (50) percent the number of active Interconnection Requests in the preceding six month period, the study timelines for Distribution Group Studies begun during the next twelve (12) months will automatically increase as follows. The time to complete the DGSP Phase I Interconnection Study will increase from sixty (60) Business Days to one hundred twenty (120) Business Days. The time to complete the DGSP Phase II Interconnection will increase from sixty (60) Business Days to one hundred twenty (120) Business Days. The time to tender a draft Generator Interconnection Agreement will increase from thirty (30) Calendar Days to forty-five (45) Calendar Days. The Distribution Provider will notify Interconnection Customers in the Distribution Study Group of the extension in writing after commencement of DGSP Phase I Interconnection Study.

4.20 Final Interconnection Financial Security For Generating Facilities In The Distribution

Group Study Process

The Interconnection Customer must post a final Interconnection Financial Security following execution of the GIA pursuant to Section 6.9 of this GISP in order to remain in the interconnection process. Failure to do so will result in Interconnection Customer Default on the executed Agreement.

Section 5. Cluster Study Process

5.1 Cluster Study Interconnection Requests

5.1.1 Cluster Application Window

Wholesale Distribution Tariff Cluster Interconnection Requests must be submitted during a CAISO defined Cluster Application Window. The Distribution Provider will accept Interconnection Requests for Cluster Study during a fifteen (15) calendar day period (the Cluster Application Window). The Cluster Application Window shall precede the Cluster Application Window determined by CAISO for each cluster cycle. Beginning in 2026, the initial Cluster Application Window for Interconnection Requests will open annually on September 11 and close on September 25. The dates may be adjusted to coordinate with the dates of future CAISO cycles, and will be posted on PG&E's website. If either the opening or closing date set forth in this section is not a Business Day, then the applicable date shall be the next Business Day.

Any projects that have chosen to proceed with Cluster Study after failing the transmission screen of an electrical independence test shall be included in the next open Cluster Study application window.

5.1.2 Timing for Transfer of Interconnection Requests from CAISO to WDT GISP Cluster or Vice Versa

A key assessment within the first 30 calendar days of the Customer Engagement Window will be evaluating the proposed Generating Facility Point of Interconnection (POI), in part to determine whether that POI is CAISO-controlled or non-CAISO-controlled. Within 30 calendar days (CD) after the close of the Cluster Application Window, the Distribution Provider will submit to the CAISO a full list of those proposed Generating Facilities that inadvertently and in good faith applied to the Distribution Provider's Cluster Study Process but have been determined to have a proposed POI on a CAISO-controlled asset. The Distribution Provider will facilitate expediting the submittal of these project into the CAISO process by forwarding all application materials submitted by

these Interconnection Customers to the CAISO at the time it notifies the CAISO these projects need to be transferred. Should the CAISO need any additional application materials from the Interconnection Customer after receiving this initial package, including application fees and study deposits, it should request those materials of the Interconnection Customer. Within 30 CD after that list is provided to the CAISO, the Distribution Provider will true up the actual costs incurred to date and refund to the impacted Interconnection Customers the remaining cluster study deposit amounts.

Conversely, up to 30 CD after the close of the Cluster Application Window, the Distribution Provider will accept a list of and all related Interconnection Request materials from the CAISO for any proposed Generating Facilities that were accepted for participation in the CAISO Cluster Study Process, which the Interconnection Customer reasonably believed were interconnecting to the CAISO grid based on available information, but which have been deemed by the CAISO to be interconnecting to the Distribution Provider's distribution system. The Distribution Provider will accept only those Interconnection Requests it can include in the Cluster Study without delaying the start of that Cluster Study Process. After the CAISO has transferred the Interconnection Request materials to the Distribution Provider, the Distribution Provider will notify the Interconnection Customer whether it can be included in the Distribution Provider's Cluster Study Process and request any Interconnection Request data still required, including new Cluster Study application fee and study deposit.

Any Interconnection Customer transferred to the Distribution Provider's WDT Cluster Study Process will be responsible for coordinating with the CAISO for the release of any funds submitted to the CAISO for the CAISO Cluster Study Process.

5.1.3 Materials to be Submitted at the Time of the Interconnection Request

To initiate an Interconnection Request and have that Interconnection Request considered for validation, the Interconnection Customer must submit all of the following through the Distribution Provider application portal during the Cluster Application Window:

(i) A non-refundable Cluster Study Application fee (see Section 5.1.4 of this

GISP);

(ii) Applicable Interconnection Study Deposit amount (see Section 5.1.4 of this GISP);

(iii) A completed application in the form of Attachment 2 of this GISP, including requested Deliverability status, preferred Point of Interconnection and voltage level, and all other required technical data, including all data requested in Attachment 2 of this GISP.

(iv) A demonstration of Site Control. The Site Control must be demonstrated to exist, at a minimum, through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

(v) For projects interconnected at Transmission Voltage, as well as projects with a rating of 10 MVA or higher installed capacity or at Distribution Provider's discretion, a load flow model.

(vi) For projects interconnected at Transmission Voltage, as well as projects with a rating of 10 MVA or higher installed capacity or at Distribution Provider's discretion, a dynamic data file.

(vii) A reactive power capability document.

(viii) A site drawing / site plan.

(ix) A single-line diagram.

(x) For projects interconnected at Transmission Voltage (i.e., above 60 kV) as well as projects with a rating of 10 MVA or higher installed capacity or at Distribution Provider's discretion, submit a flat run plot and a bump test plot from the positive sequence transient stability simulation application.

(xi) For projects interconnecting at Transmission Voltage (i.e., above 60 kV) as well as projects with a rating of 10 MVA or higher installed capacity, or at

Distribution Provider's discretion, submit a plot showing the requested MW at the Point of Interconnection from the positive sequence load flow application.

(xii) A Commercial Readiness Deposit equal to two times the study deposit described in Section 5.1.4 of this GISP in the form of an irrevocable letter of credit, surety bond or escrow agreement that is reasonably acceptable to the Distribution Provider. The Commercial Readiness Deposit is due by the end of the Customer Engagement Window. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 5.2 of this GISP. However, the Distribution Provider shall be entitled to hold the Commercial Readiness Deposit until the Interconnection Customer's Generating Facility achieves Commercial Operation.

(xiii) A Description of Operations for the proposed Generating Facility that includes (1) the requested operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) to be used by the Distribution Provider and Distribution Provider that reflect the proposed charging behavior of the Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to the operating assumptions submitted by the Interconnection Customer.

(xiv) For those Interconnection Requests requesting Full Capacity Deliverability Status, or Partial Capacity Deliverability Status, applicants shall be required to submit additional deposits in accordance with procedures under the CAISO tariff. This will include, but is not limited to:

(i) Applicable Deliverability Cluster Study Deposit amount (see Section 5.1.4 of this GISP);

(ii) An additional Commercial Readiness Deposit equal to two times the study deposit.

5.1.3.1 Deliverability Application Requirements

This section does not apply to projects seeking only Energy-Only Deliverability.

For those Interconnection Requests under this GISP that select Full Capacity Deliverability Status or Partial Capacity Deliverability Status, The Distribution Provider will notify the ISO at the close of the Distribution Provider's Cluster Application Window of all Interconnection Customer requests for Full Capacity or Partial Capacity Deliverability Status once those Interconnection Requests to the Distribution Provider are deemed complete.

Once the Interconnection Request is deemed complete by the Distribution Provider, the Interconnection Customer also must make separate application to CAISO's online interconnection portal during the next open CAISO Cluster Application Window to seek participation in the next deliverability assessment process. When applying to the CAISO Cluster Application Window, the Interconnection Customer must include all relevant information and supporting documentation comprising the Cluster Study criteria, which the CAISO will use to determine whether an Interconnection Request seeking deliverability is eligible for the Cluster Studies and TP Deliverability Assessment. The Cluster Study criteria is set forth in Appendix KK of the CAISO Tariff, as Appendix 2.

Any information submitted by the Interconnection Customer for the CAISO Deliverability Application Window must be consistent with the Interconnection Request submitted by the Interconnection Customer to the Distribution Provider during the WDT GISP Cluster Application Window. The Interconnection Customer is responsible for correcting any inconsistencies in the CAISO Deliverability Application by the close of the CAISO Cluster Application Window; otherwise, the Full Capacity (or Partial Capacity) Deliverability portion of the Interconnection Customer's Interconnection Request to the Distribution Provider will be deemed withdrawn without the cure period provided under Section 9.1 of this WDT GISP.

Only those Interconnection Requests seeking Full Capacity Deliverability Status or Partial Capacity Deliverability Status that meet the criteria specified in Section 4 of CAISO Tariff RIS will proceed to the Cluster Study. Any Interconnection Requests that do not meet the criteria or otherwise fail to comply with Section 4 of CAISO Tariff RIS will be deemed withdrawn without the cure period provided under GISP Section 9.1, the application fee will be forfeited to the Distribution Provider, and the Distribution Provider will return the Interconnection Study Deposit to the Interconnection Customer.

Each Interconnection Request can proceed to the Cluster Study based on the criteria for Deliverability in Deliverable Zones. WDT Interconnection Requests under the Cluster Study Process are not eligible for Deliverability in a Merchant Zone. Interconnection Requests seeking any Deliverability for any technology or Generating Unit at the Generating Facility will be subject to the criteria for Interconnection Requests for Deliverability.

The CAISO will be solely responsible for determining whether Interconnection Requests meet the criteria specified in Section 4 of CAISO Tariff RIS. The Interconnection Customer will be responsible for submitting the ISO Deliverability Application to the ISO within the Cluster Application Window designated by the CAISO. The Distribution Provider shall not be responsible for the results of the CAISO's determination.

If the Interconnection Customer disputes the outcome of the CAISO's determination under Section 4 of CAISO Tariff RIS, the Interconnection Customer must raise such dispute with the CAISO in accordance with the CAISO Tariff Dispute Resolution procedures.

5.1.3.1.1 Auction Process Deposits. In the event an auction process deposit is provided to the Distribution Provider, it will be treated in accordance with Section 4.1.2 of CAISO Tariff RIS.

5.1.4 Cluster Study Application Fee and Study Deposit

5.1.4.1 Application Fee.

At the time the Interconnection Customer submits its Cluster Study Interconnection Request materials to the Distribution Provider during a Cluster Application Window, the Interconnection Customer also will submit a non-refundable application fee of $5,000. These funds will be used by the Distribution Provider to process and validate the Interconnection Request materials submitted.

5.1.4.2 Cluster Study Deposit.

In addition to the Cluster Study Application Fee, the Interconnection Customer also will submit upon invoice from the Distribution Provider a Cluster Study Deposit determined based on the generating capacity of the proposed Generating Facility, as described in the table below:

Project Generating Capacity (MW)	Cluster Study Deposit Calculation
Less than 80 MW	$35,000 plus $1,000 per MW
From 80 MW to less than 200 MW	$150,000
200 MW or greater	$250,000

*In the case of projects seeking Deliverability Status, a second Deliverability Cluster Study Deposit, equal to that of the Interconnection Cluster Study Deposit, shall be required in order to participate in the CAISO Deliverability Cluster Study.

5.1.4.3 Use of the Study Deposit.

The Distribution Provider will apply the study deposit toward the actual costs of the Cluster Study Process. The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider or third parties at the direction of the Distribution Provider, as applicable, to perform and administer the Cluster Study

Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests during the Cluster Study Process.

5.1.4.4 Obligation for Study Costs.

In the event an Interconnection Customer withdraws its Interconnection Request prior to the commencement of the Cluster Study, Interconnection Customer must pay the Distribution Provider the actual costs of processing its Interconnection Request.

Should an Interconnection Customer withdraw after the commencement of the Cluster Study, the Distribution Provider shall charge and the Interconnection Customer(s) shall pay the actual costs of the Interconnection Studies each is responsible for that will accrue through the effective date of withdrawal.

The costs of any Interconnection Study conducted on a clustered basis will be allocated among each Interconnection Customer within the Cluster as follows:

a. Fifty percent (50%) of the study costs will be allocated to each Interconnection Request in a cluster on a per project basis (i.e., 50% of study costs divided by the number of projects in the Cluster Study at the time of accrual).

b. Fifty percent (50%) of the study costs will be allocated to each Interconnection Request in a cluster on a pro rata basis (i.e., on the basis of each Interconnection Request's contributing generation capacity).

Following offsets from Withdrawal Penalties assessed pursuant to Section 5.3, the actual costs of each reassessment, will be allocated among each Interconnection Custer in the same manner as above.

Each Interconnection Customer will be responsible for its share of all actual study costs accrued for each study. Any difference between the Interconnection Customer's study deposit and the actual cost of the Interconnection Studies will be paid by or refunded to, except as otherwise provided herein, each Interconnection Customers.

At the conclusion of each cluster study described in this section, the Distribution Provider will reconcile the actual study costs accrued through that study process against the Interconnection Customer's remaining Cluster Study Deposit. Should the study deposit amount exceed the amount of the current accrued study costs, the Distribution Provider will provide the Interconnection Customer with an itemized invoice detailing the study costs, the portion of the study deposit used to pay for those study costs, and the remaining study deposit amount. Should the accrued study costs exceed the remaining study deposit, the Distribution Provider will issue an itemized invoice to the Interconnection Customer for the difference of the accrued costs minus the remaining deposit.

Should the CAISO perform any work on this Cluster Study Process on behalf of the Distribution Provider, the CAISO shall issue a timely invoice to the Distribution Provider for such work, and the Distribution Provider shall issue invoices to the Interconnection Customer for Interconnection Studies that shall include a detailed and itemized accounting of the cost of each Interconnection Study. The Distribution Provider will pay the CAISO invoices once the Interconnection Customer has completed its payment on the combined study invoices.

Any invoices for Interconnection Studies will include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customers will pay any such undisputed costs within thirty (30) days of receipt of an invoice therefor. If an Interconnection Customer fails to pay such undisputed costs within the time allotted, its Interconnection Request will be deemed withdrawn from the Cluster Study Process and will be subject to Withdrawal Penalties pursuant to Section 5.3 of this GISP.

Whenever the actual cost of performing the Interconnection Studies exceeds the Interconnection Study Deposit, the Interconnection Customer shall pay the undisputed difference in accordance with the Distribution Provider issued invoice within thirty (30) calendar days. The Distribution Provider shall not be obligated to continue to have any studies conducted unless the Interconnection Customer has paid all undisputed amounts in compliance herewith. In the event an Interconnection Study, or portions thereof, is performed by the Distribution Provider, the Interconnection Customer shall pay only the

costs of those activities performed by the Distribution Provider to adequately review or validate that Interconnection Study or portions thereof.

5.1.5 Interconnection Request Validation

The Distribution Provider requires the materials submitted during the Cluster Application Window in support of the Interconnection Customer's Interconnection Request to be complete and specific to the Interconnection Request. During the Cluster Application Window, the Distribution Provider Distribution Provider will not initiate any administrative review of an Interconnection Request for completeness until at least the Interconnection Request, the Cluster Study Application Fee, and the applicable Cluster Study Deposit have been received by the Distribution Provider.

Once those items are received, the Distribution Provider first will determine whether a submitted Interconnection Request is complete. Distribution Provider will notify the Interconnection Customer within five (5) Business Days of submission of the Interconnection Request, Cluster Study Application Fee, and Cluster Study Deposit whether the Interconnection Request is complete or contains omissions. The Interconnection Customer must provide all required information as soon as possible, but no later than the end of the Cluster Application Window, to ensure that it has submitted a complete Interconnection Request by the end of the application window, regardless of the Distribution Provider's timing for providing notice of deficiency. Failure to do so will result in the Interconnection Request being deemed incomplete with no opportunity to cure and will not be included in that year's Cluster Study Process.

5.1.6 Customer Engagement Window Activities,

5.1.6.1 Validation Process.

Per Section 5.1.5, above, the Distribution Provider will notify the Interconnection Customer whether its Interconnection Request is valid or contains deficiencies within ten (10) Business Days of the close of the Cluster Application Window or when the Interconnection Request satisfies the Cluster Study criteria, whichever is

later. All Interconnection Requests must be deemed valid by the end of the Customer Engagement Window to be included in that year's Cluster Study Process.

5.1.6.2 Deficiencies in Interconnection Request.

If an Interconnection Request has deficiencies, the Distribution Provider shall include in its notification to the Interconnection Customer that the Interconnection Request does not constitute a valid request and explain the deficiencies. The Interconnection Customer shall provide the Distribution Provider the corrected requested information needed to constitute a valid request. Whenever corrected requested information is provided by the Interconnection Customer, the Distribution Provider shall notify the Interconnection Customer within five (5) Business Days of receipt of the corrected requested information whether the Interconnection Request is valid. If the Interconnection Request continues to provide deficient information, the Distribution Provider shall include in its notification to the Interconnection Customer the reasons for such failure. If an Interconnection Request is not deemed valid, the Interconnection Customer must cure all deficiencies no later than the close of the Customer Engagement Window. Interconnection Requests with deficiencies after that date will be deemed invalid and will not be included in an Interconnection Study Cycle or otherwise studied.

Interconnection Requests deemed invalid under this section are not subject to Section 5.3. Interconnection Customers with invalid Interconnection Request under this section may seek relief under Section 6.2 of this GISP by so notifying the Distribution Provider within two (2) Business Days of the notice of invalidity.

5.1.6.3 Opening the Customer Engagement Window

Upon the close of each Cluster Application Window, the Distribution Provider will open a one hundred ten (110) calendar day period (Customer Engagement Window). Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, the Distribution Provider

may shorten the Customer Engagement Window and begin the Cluster Study. Within ten (10) Business Days of the opening of the Customer Engagement Window, the Distribution Provider will publish a list of Interconnection Requests for that Cluster. The list will identify, for each anonymized Interconnection Request: (1) the requested amount of Interconnection Service; (2) the location by county and state; (3) the substation or transmission line or lines where the interconnection will be made; (4) the projected In-Service Date; (5) the Deliverability Status requested; and (6) the type of Generating Facility or Facilities to be constructed, including fuel types, such as coal, natural gas, solar, or wind. The Distribution Provider must ensure that project information is anonymized and does not reveal the identity or commercial information of interconnection customers with submitted requests. During the Customer Engagement Window, the Distribution Provider will provide to Interconnection Customer a non-binding updated good faith estimate of the cost and timeframe for completing the Cluster Study, along with a copy of the proforma Cluster Study Agreement for review and execution.

5.1.6.4 Cluster Study Agreement

Interconnection Customers with Interconnection Requests seeking deliverability that are deemed eligible for the Cluster Study Process via the scoring process, along with any Interconnection Requests that are not seeking deliverability, will be required to execute the Cluster Study Agreement prior to the close of the Customer Engagement Window.

No later than the close of the Customer Engagement Window, all Interconnection Requests deemed complete and valid by Distribution Provider, that have executed a Cluster Study Agreement and have been declared eligible for the Cluster Study Process by CAISO (for those Interconnection Requests seeking deliverability) or are otherwise not seeking deliverability will be included in the Cluster Study. Any Interconnection Requests not deemed valid at the close of the Customer Engagement Window will be deemed withdrawn (without the cure period) by the

Distribution Provider, the application fee will be forfeited to the Distribution Provider, and the Distribution Provider will return the Interconnection Study Deposit and Commercial Readiness Deposit to the Interconnection Customer. Immediately following the Customer Engagement Window, the Distribution Provider will initiate the Cluster Study.

For each Interconnection Request that is deemed complete pursuant to Section 5.1, the Distribution Provider will determine whether the Interconnection Request is valid. An Interconnection Request will be deemed valid if it does not contain deficiencies that would prevent its inclusion in the Cluster Study. Deficiencies include but are not limited to modeling errors, inaccurate data, and unusable files.

The Interconnection Customer will provide the Distribution Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice but no later than the end of the Customer Engagement Window. At any time, if the Distribution Provider finds that the technical data provided by Interconnection Customer is incomplete or contains errors, the Interconnection Customer and the Distribution Provider will work expeditiously and in good faith to remedy such issues. In the event the Interconnection Customer fails to comply with this Section, the Distribution Provider will deem the Interconnection Request withdrawn (without the cure period), the application fee is forfeited to the Distribution Provider, and the Interconnection Study and Commercial Readiness Deposit will be returned to Interconnection Customer.

5.1.6.5 Day-for-day Extensions

To the extent the Distribution Provider cannot meet any deadline in the Customer Engagement Window Section of this GISP, the Interconnection Customer will receive a day-for-day extension on all remaining deadlines requiring its response. This day for day extension shall apply to all Interconnection Requests in the current year’s Cluster Queue, and shall officially extend the Customer

Engagement Window to expire upon the conclusion of day-for-day extension.

5.2 Withdrawal from Cluster Study Process

If the Interconnection Customer withdraws its Interconnection Request from this Cluster Study Process or is deemed withdrawn by the Distribution Provider under Section 9.1 of this GISP, the Distribution Provider will:

(i) Impose the Withdrawal Penalty described in Section 5.2.1 of this GISP; and

(ii) Refund to the Interconnection Customer any portion of the refundable portion of Interconnection Customer's study deposit that exceeds the costs that the Distribution Provider has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. The Distribution Provider also will refund any portion of the Commercial Readiness Deposit not applied to the Withdrawal Penalty.

5.2.1 Withdrawal Penalty

The Interconnection Customer will be subject to a Withdrawal Penalty if it withdraws its Interconnection Request or is deemed withdrawn, or the Generating Facility does not otherwise reach Commercial Operation unless:

(1) The withdrawal does not have a material impact on the cost or timing of any Interconnection Request in the same Cluster as determined by the Distribution Provider;

(2) The Interconnection Customer withdraws after receiving Interconnection Customer's most recent Cluster Restudy Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than twenty-five percent (25%) compared to costs identified in Interconnection Customer's preceding Cluster Study Report or Cluster Restudy Report; or

(3) The Interconnection Customer withdraws after receiving Interconnection Customer's Interconnection Facilities Study Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than one hundred percent (100%) compared to costs identified in the Cluster Study Report or Cluster Restudy Report.

5.2.2 Calculation of the Withdrawal Penalty.

If the Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn prior to the commencement of the Initial Cluster Study, the Interconnection Customer will not be subject to a Withdrawal Penalty.

If Interconnection Customer withdraws, is deemed withdrawn, or otherwise does not reach Commercial Operation at any point after the commencement of the Initial Cluster Study, that Interconnection Customer's Withdrawal Penalty will be the greater of: (1) the Interconnection Customer's study deposit required under Section 5.1.4 of this GISP; or (2) as follows in (a)–(d):

(a) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Study or after receipt of a Cluster Study Report, but prior to commencement of the Cluster Restudy or Interconnection Facilities Study if no Cluster Restudy is required, Interconnection Customer will be charged two (2) times its actual allocated cost of all studies performed for Interconnection Customers in the Cluster.

(b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer will be charged five percent (5%) of its estimated Network Upgrade costs.

(c) If Interconnection Customer withdraws or is deemed withdrawn during the Interconnection Facilities Study, after receipt of the Interconnection Facilities Study Report issued, or after receipt of the draft GIA but before Interconnection Customer has executed a GIA or has requested that its GIA be filed unexecuted, and has

satisfied the other requirements (i.e., Site Control demonstration, Financial Security Postings, reasonable evidence of one or more milestones in the development of the Generating Facility), Interconnection Customer will be charged ten percent (10%) of its estimated Network Upgrade costs.

(d) If Interconnection Customer has executed a GIA or has requested that its GIA be filed unexecuted and has satisfied the other requirements of this GISP (i.e., Site Control demonstration, Financial Security Postings, reasonable evidence of one or more milestones in the development of the Generating Facility) and subsequently withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not reach Commercial Operation, that Interconnection Customer's Withdrawal Penalty will be twenty percent (20%) of its estimated Network Upgrade costs.

5.3 Cluster Study Scoping Meeting

During the Customer Engagement Window, the Distribution Provider will hold a Scoping Meeting with Interconnection Customers whose complete and valid Interconnection Requests were received in that Cluster Application Window. Participants in each Scoping Meeting will be based on related Transmission Zones and Cluster Study criteria.

The purpose of the Cluster Study Scoping Meeting will be to discuss reasonable Commercial Operation Dates and to exchange information including any transmission data, distribution data, and earlier study evaluations that reasonably would be expected to impact such interconnection options, to discuss the Cluster Study materials, if applicable, and to analyze such information. The Distribution Provider and the Interconnection Customer(s) will 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, and

(v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting.

The Distribution Provider and the Interconnection Customer(s) also will 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 will be sufficient to accomplish its purpose.

Each Interconnection Customers wanting to participate in this group Cluster Study Scoping Meeting must execute a non-disclosure agreement provided by the Distribution Provider at least one week prior to the group Cluster Study Scoping Meeting. This non-disclosure agreement provides for confidentiality and protection of identifying information or commercially sensitive information pertaining to any other Interconnection Customers also attending this meeting.

5.4 Grouping Cluster Study Interconnection Requests

The Distribution Provider will assign a Queue Positions to the Cluster Study Interconnection Requests per the process described in Section 1.3.4 of this GISP. Although, these Interconnection Requests will be assigned different queue numbers, all Interconnection Requests submitted and validated in a single Cluster Application Window will be considered equally queued.

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 will be considered equally queued. Interconnection Customers that are part of Clusters initiated earlier in time than an instant queue will be considered to have a higher Queue Position than Interconnection Customers that are part of Clusters initiated later than an instant queue.

Interconnection Studies performed within the Cluster Study Process will 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 and consistent

with Good Utility Practice.

At the Distribution Provider's option, Interconnection Requests received during the Cluster Application Window for a particular year may be studied in subgroups for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study within an Interconnection Study Cycle, the Distribution Provider may develop one or more subgroups. A subgroup will include, at the Distribution Provider's sole judgment, Interconnection Requests that electrically affect one another with respect to the analysis being performed and the annual Transmission Plan, without regard to the nature of the underlying Interconnection Service.

The Distribution Provider also may, in its sole judgment, conduct an Interconnection Study for an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility from other Generating Facilities with Interconnection Requests in the Cluster Application Window for a particular year. In all instances in which the Distribution Provider elects to use subgroups in the Cluster Study Process, the Distribution Provider will use the same criteria used to define and determine the subgroups on the CAISO Website.

An Interconnection Request's inclusion in a subgroup will not relieve the Distribution Provider from meeting the timelines for conducting the Cluster Study provided in this GISP.

5.5 Scope and Purpose of the Cluster Study

The Cluster Study will:

(i) Evaluate the impact of all Interconnection Requests received during the Cluster Application Window for a particular year on the Distribution Provider distribution system and ancillary impacts on the transmission system;

(ii) Identify all Reliability Network Upgrades (RNUs), and as appropriate all Local Delivery Network Upgrades (LDNUs) needed to address the impacts on the CAISO Controlled Grid from the Interconnection Requests, as Assigned Network Upgrades or Conditionally Assigned Network Upgrades;

(iii) Preliminarily identify for each Interconnection Request required Interconnection Facilities (IF) and Distribution Upgrades (DU) needed to ensure the safe and reliable interconnection of the Interconnection Customer's Generating Facility to the Distribution Providers distribution system;

(iv) Assess the Point of Interconnection selected by each Interconnection Customer to evaluate potential efficiencies in overall distribution and transmission upgrades costs;

(iv) For the Network Upgrades identified for each Interconnection Request, establish the estimated, non-binding Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure for each Interconnection Request, until the issuance of the Interconnection Facilities Study report;

(v) Provide a cost estimate of any Area Delivery Network Upgrades (ADNUs) identified for each Generating Facility in the current Cluster Study;

(vi) Identify controls required for each Interconnection Request where the Interconnection Customer requested Interconnection Service Capacity lower than the Generating Facility Capacity;

(vii) Identify any Precursor Network Upgrades; and

(viii) Identify RNUs as General Reliability Network Upgrades (GRNU) or Interconnection Reliability Network Upgrades (IRNU).

The Cluster Study also will consist of a short circuit analysis, a stability analysis to the extent the Distribution Provider reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, and an On-Peak Deliverability Assessment, for the purpose of identifying LDNUs and estimating the cost of ADNUs, as applicable.

The Cluster Study will state for each subgroup or Interconnection Request studied individually:

(i) The assumptions upon which it is based,

(ii) The results of the analyses, and

(iii) The requirements or potential impediments to providing the requested Interconnection Service to all Interconnection Requests in a subgroup or to the Interconnection Request studied individually.

The Cluster Study will provide, without regard to the requested Commercial Operation Dates of the Interconnection Requests, a list of RNUs, and LDNUs to the CAISO Controlled Grid that are preliminarily identified as Assigned Network Upgrades (ANUs) or Conditionally Assigned Network Upgrades (CANUs) required as a result of the Interconnection Requests in a subgroup or as a result of any Interconnection Request studied individually and the Distribution Provider's Interconnection Facilities associated with each Interconnection Request, the estimated costs of ADNUs, if applicable, and an estimate of any other financial impacts (i.e., on Local Furnishing Bonds). For purposes of determining necessary Interconnection Facilities, Distribution Upgrades, and Network Upgrades, the Cluster Study will consider the level of Interconnection Service Capacity requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

For purposes of determining necessary Interconnection Facilities, Distribution Upgrades, and Network Upgrades, the Cluster Study will use operating assumptions provided in the Interconnection Customer's Generating Facility "Description of Operations" submitted with the Interconnection Request (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of a Generating Facility that includes at least one electric storage resource as requested by the Interconnection Customer, unless the Distribution Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. The Distribution Provider may require the inclusion of control technologies sufficient to limit the operation of the Generating Facility per the operating assumptions as set forth in the Interconnection Request and to respond to dispatch instructions from the Distribution Provider or CAISO. As determined by the Distribution Provider, the Interconnection Customer may be subject to testing and validation of those control technologies.

The Cluster Study will evaluate the use of static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous

condensers, voltage source converters, advanced conductors, and tower lifting. The Distribution Provider will evaluate each identified alternative transmission technology and determine whether the above technologies should be used, consistent with Good Utility Practice, and Applicable Laws and Regulations. The Distribution Provider will include an explanation of the results of the evaluation for each technology in the Cluster Study Report.

5.6 Identification of and Cost Allocation for Network Upgrades

5.6.1 Reliability Network Upgrades (RNUs)

The Distribution Provider, in coordination with the CAISO, will perform short circuit and stability analyses for each Interconnection Request either individually or as part of a subgroup to preliminarily identify the RNUs needed to interconnect the Generating Facilities to the CAISO Controlled Grid. The Distribution Provider, in coordination with the CAISO, shall also perform power flow analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a subgroup to identify Reliability Criteria violations, including applicable thermal overloads, that must be mitigated by RNUs.

The estimated costs of short circuit related GRNUs identified through a subgroup shall be assigned to all Interconnection Requests in that subgroup pro rata on the basis of the short circuit duty contribution of each Generating Facility. The estimated costs of all other GRNUs identified through a subgroup shall be assigned to all Interconnection Requests in that subgroup pro rata on the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request. The estimated costs of RNUs identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request.

Interconnection Customers assigned IRNUs in their Cluster Study will be allocated the full cost of the IRNUs in their Maximum Cost Responsibility. The Maximum Cost Exposure will include the full costs of conditionally assigned IRNUs. The Current Cost

Responsibility will include their allocated share of IRNU costs.

5.6.2 Delivery Network Upgrades (DNUs)

All Delivery Network Upgrades shall be determined by CAISO in accordance with methodologies set forth by the CAISO in its most recent generator interconnection tariff.

5.6.3 Interconnection Facilities and Distribution Upgrades

The costs of any needed Interconnection Facilities or Distribution Upgrades identified in the Cluster Study Process will be directly assigned to the Interconnection Customer(s) using such facilities. Where Interconnection Customers in the Cluster agree to share Interconnection Facilities, the cost of such Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing use of such Interconnection Facilities on a per capita basis (i.e., on a per Generating Facility basis), unless Parties mutually agree to a different cost sharing arrangement.

5.7 Use of Per Unit Costs to Estimate Assigned Upgrade Costs

The Distribution Provider, under the direction of the CAISO, shall publish per unit costs for facilities generally required to interconnect Generation to their respective systems.

These per unit costs shall reflect the anticipated cost of procuring and installing such facilities during the current Interconnection Study Cycle and may vary among Distribution Providers and within a Distribution Provider's Service Territory based on geographic and other cost input differences. These per unit costs also should include an annual adjustment for the following ten (10) years to account for the anticipated timing of procurement to accommodate a potential range of Commercial Operation Dates of Interconnection Requests in the Interconnection Study Cycle. The per unit costs will be used to develop the cost of Network Upgrades and the Distribution Provider's Interconnection Facilities. Deviations from a Distribution Provider's benchmark per unit costs will be permitted if a reasonable explanation for the deviation is provided and there is no undue discrimination.

Prior to adoption and publication of final per unit costs for use in the Interconnection Study

Cycle, the CAISO shall publish to the CAISO Website draft per unit costs, including non-confidential information regarding the bases therefore, hold a stakeholder meeting to address the draft per unit costs, and permit stakeholders to provide comments on the draft per unit costs.

5.8 Assigned and Contingent Costs

The Distribution Provider will provide, upon request of the Interconnection Customer, its estimated Interconnection Facility, Distribution Upgrade, and/or Network Upgrade costs and estimated in-service completion time of each Assigned Network Upgrade, Conditionally Assigned Network Upgrade, or Precursor Network Upgrade when this information is readily available and not commercially sensitive.

5.9 Cluster Study Procedures

The Distribution Provider shall coordinate the Cluster Study with any Affected System that is affected by the Interconnection Request. Existing studies shall be used to the extent practicable when conducting the Cluster Study. The Distribution Provider will coordinate Base Case development with the CAISO to ensure the Base Cases are accurately developed. The Distribution Provider will complete and issue to Interconnection Customers the Cluster Study report within one hundred and fifty (150) days after the closing of the Cluster Engagement Window commencement of the Cluster Study; however, the Cluster Study may be completed prior to this maximum time where practicable based on factors, including, but not limited to, the number of Interconnection Requests in the Cluster Engagement Window, study complexity, and reasonable availability of subcontractors. The Distribution Provider will share applicable study results with the CAISO for review and comment and will incorporate comments into the study report. The Distribution Provider will issue a final Cluster Study report to the Interconnection Customer.

At any time the Distribution Provider determines that it will not meet the required time frame for completing the Cluster Study due to the large number of Interconnection Requests in the associated Cluster Application Window, study complexity, or unavailability of subcontractors on a reasonable basis to perform the study in the required time frame, the Distribution Provider shall notify the Interconnection Customers as to the schedule status of the Cluster Study and provide

an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, the Distribution Provider shall provide the 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.

5.9.1 Affected System Impacts and Notification

At any time during the interconnection study process should the Distribution Provider identify that an Affected System may be impacted by one or more of the Interconnection Customers' proposed projects in this Cluster Study Process, the Distribution Provider will follow the Affected System notification procedures and timelines detailed in Section 6.10.1 of this WDT GISP. Should the Affected System agree there is a potential impact, the relevant Interconnection Customer(s) will coordinate with the Affected System to complete an Affected System Study and provide a copy of that study to the Distribution Provider within ten (10) Business Days of its completion. During the Affected System Study process, the Distribution Provider and Interconnection Customer(s) will continue to move forward on the interconnection procedures and timelines detailed in this GISP.

5.9.2 Shared Network Upgrades

Interconnection Studies and GIAs will identify when Network Upgrades are shared among generating facilities in the same Queue Cluster proposing to interconnect under the RIP or the ISO Tariff RIS, and their estimated construction timelines. Once identified in the Interconnection Studies, or no later than when the first interconnection customer under the CAISO Tariff RIS sharing the Network Upgrade executes its GIA with the Network Upgrade, the CAISO and Distribution Provider will notify the other Interconnection Customers and interconnection customers under the CAISO Tariff RIS sharing the Network Upgrade when their provision of security under Article 11.5 of the GIA will be required based on the construction timeline required to meet the earliest In-Service Date of the Interconnection Customers and interconnection customers under the CAISO Tariff RIS sharing the Network Upgrade. All Interconnection Customers sharing

the Network Upgrade must submit (a) their authorizations to proceed with design and procurement of the shared Network Upgrade and (b) their provision of security under Article 11.5 of the GIA for the shared Network Upgrade, by the same deadline. Interconnection Customers, interconnection customers under the CAISO Tariff RIS, and Distribution Provider may have separate posting and authorization deadlines for each shared Network Upgrade and other non-shared Network Upgrades, but Interconnection Customers sharing Network Upgrades must have the same deadlines for them. At all times, Interconnection Customers must have sufficient Commercial Readiness Deposit, GIA Deposit, and provision of security under Article 11.5 of the GIA to meet the requirements of this RIS and the GIA.

All Interconnection Customers sharing the Network Upgrade must execute a Letter Agreement under RIP Section 8 or a GIA prior to submitting their security for the shared Network Upgrade. Where any Interconnection Customer sharing the Network Upgrade has not executed either agreement, the Distribution Provider will tender (1) a draft Letter Agreement if the Interconnection Customer is parked, or (2) a draft GIA or GIA amendment, to the Interconnection Customer no later than one-hundred twenty (120) days before the provision of security deadline. The Interconnection Customer must execute the Letter Agreement or GIA or request that the GIA be filed unexecuted prior to the deadline to post. The failure by an Interconnection Customer to timely (a) execute a Letter Agreement or GIA or request an unexecuted filing, (b) submit the authorization to proceed, or (c) submit the provision of security for the shared Network Upgrade, under this Section, will result in the Interconnection Request being deemed withdrawn and subject to RIP Section 3.12.

No later than thirty (30) days after each Interconnection Customer sharing the Network Upgrade complies with this RIP Section 9.4, the Distribution Provider will commence pre-Construction Activities on the shared Network Upgrade.

5.10 Cluster Study Report Meeting

Within ten (10) Business Days of simultaneously furnishing a Cluster Study Report to each

Interconnection Customer within the Cluster, the Distribution Provider will convene a Cluster Study Report Meeting.

5.11 Modifications

5.11.1 Review of Modification Request

At any time during the Interconnection Studies, the Interconnection Customer or the Distribution 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 while retaining its Queue Position.

Any such requests from the Interconnection Customer for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment 2 of this GISP. For any modification other than those described below, the Interconnection Customer must first request that the Distribution Provider evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the Distribution Provider and, if applicable, any Affected System Operator, shall evaluate the proposed modifications prior to making them and the Distribution Provider shall inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification.

If any modification requested by an Interconnection Customer after the Cluster Study report would change the scope, schedule, or cost of the Interconnection Facilities or Network Upgrades, the Distribution Provider will prepare and issue a report to the Interconnection Customer. If the Distribution Provider determines a detailed assessment is needed to determine the extent and impact of the changes proposed by the Interconnection Customer, the Interconnection Customer will be required to post a Material Modification Assessment study deposit in the amount shown in Table 1-1 in Section 1.6 of this WDT GISP. The Distribution Provider will issue its report within 60 Calendar Days of receipt of the deposit. However, if the modification request results in changes to the Interconnection Facilities, Distribution Upgrades, or Network Upgrades,

the Distribution Provider may take up to 120 Calendar Days to complete the modification assessment.

All actual costs incurred by the Distribution Provider (if any) shall be borne by the party making the modification request, and such costs shall be included in any Distribution Provider invoice for Material Modification Assessment activities, net of any deposit amount received from the Interconnection Customer.

The Distribution Provider may approve a Material Modification to downsize an Interconnection Request by mutual agreement with the Interconnection Customer. An Interconnection Customer who's modification request to downsize its generator is determined by the Distribution Provider to be a Material Modification will continue to be obligated to finance the costs of (1) Network Upgrades that its Generating Facility previously triggered, and (2) Network Upgrades that are alternatives to the previously triggered Network Upgrades, if such previously triggered Network Upgrades or alternative Network Upgrades are needed by Interconnection Customers in the same Queue Cluster or later-queued Interconnection Customers, up to the Maximum Cost Exposure of the downsizing generator as determined by the Distribution Provider. For determining any changes to a downsizing generator's Network Upgrade cost responsibilities resulting from a reassessment process, the Distribution Provider will reallocate the costs of Network Upgrades that are still needed based on the downsizing generator's pre-downsizing share of the original cost allocation.

5.11.2 Modification of Point of Interconnection

At any time during the Interconnection Studies, the Interconnection Customer or the Distribution 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 while retaining its Queue Position. Notwithstanding the above, during the Interconnection Studies, the Interconnection Customer or the Distribution Provider may identify changes to the planned interconnection that may improve the costs and benefits (including

reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Distribution Provider and the Interconnection Customer, such acceptance not to be unreasonably withheld, the Distribution Provider will modify the Point of Interconnection prior to the end of the Customer Engagement Window.

Any change to the Point of Interconnection, except for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this Section, shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification and continue with the current Interconnection Request or withdraw the current Interconnection Request and submit a new Interconnection Request that includes the modification.

5.11.3 Other Allowed Modifications

Prior to the end of the Customer Engagement Window, modifications permitted under this Section shall include specifically:

a) A decrease in the electrical output (MW) of the proposed project; through either (1) a decrease in Generating Facility Capacity or (2) a decrease in Interconnection Service Capacity accomplished by Distribution Provider approved limiting equipment;

b) Modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;

c) Modifying the interconnection configuration;

d) Modifying the In-Service Date, Initial Synchronization Date, Trial Operation Date, and/or Commercial Operation Date and is acceptable to the Distribution Provider, such acceptance not to be unreasonably withheld;

e) Permissible Technological Advancements as determined by the Distribution

Provider, described below.

For any modification other than these, the Interconnection Customer must first request that the Distribution Provider evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the Distribution Provider and, if applicable, any Affected System Operator, shall evaluate the proposed modifications prior to making them and the Distribution Provider shall inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification.

Prior to the return of the executed Interconnection Facilities Study Agreement to the Distribution Provider, the modifications permitted under this Section specifically will include:

a) Generating Facility technical parameters associated with modifications to Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer; and

b) A Permissible Technological Advancement for the Generating Facility after the submission of the Interconnection Request. Attachment 1 of this GISP contains a definition of Permissible Technological Advancement.

5.11.4 Modification for Permissible Technological Advancements

Interconnection Customers may request modifications to their own Interconnection Request(s) to incorporate Permissible Technological Advancements. The Interconnection Customer's written request to evaluate technological advancements must include the technical data required to assess the request.

Permissible Technological Advancements may include, for example, removing equipment; aligning the Commercial Operation Date with an executed power purchase agreement; adding less than 5 MW of energy storage once without increasing the net output at the Point of Interconnection; and other changes that have little or no potential

to affect other Interconnection Customers or Affected Systems, require a new Interconnection Request, or otherwise require a re-study or evaluation.

For all Permissible Technological Advancement requests not expressly enumerated in this Section, the Distribution Provider will determine whether such change would constitute a Material Modification. Such evaluation will include an analysis of the short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability, and impact on other Interconnection Customers. The Distribution Provider will determine whether a Permissible Technological Advancement request is a Material Modification within thirty (30) calendar days of receipt of the request.

5.11.5 Additional Generation

The Interconnection Customer may request an addition to the Interconnection Request of a Generating Unit with the same Point of Interconnection indicated in the initial Interconnection Request, only after the initial Interconnection Request has reached Commercial Operation or has been withdrawn from the queue.

Interconnection Customer may request, and Distribution Provider shall evaluate, the addition to the Interconnection Request of a Generating Facility with the same Point of Interconnection indicated in the initial Interconnection Request, if the addition of the Generating Facility does not increase the requested Interconnection Service level. Distribution Provider must evaluate such modifications prior to deeming them a Material Modification, but only if Interconnection Customer submits them prior to the return of the executed Interconnection Facilities Study Agreement by Interconnection Customer to Distribution Provider. Interconnection Customers requesting that such a modification be evaluated must demonstrate the required Site Control at the time such request is made.

5.12 Revisions and Addenda to Final Interconnection Study Reports

5.12.1 Substantial Error or Omissions; Revised Study Report

Should the Distribution Provider discover, through written comments submitted by an Interconnection Customer or otherwise, that a final Interconnection Study Report (which

can mean a final Cluster Study report or Interconnection Facilities Study report) contains a substantial error or omission, the Distribution Provider will cause a revised final report to be issued to the Interconnection Customer.

(i) A substantial error or omission shall mean an error or omission that results in one or more of the following:

(ii) Understatement or overstatement of the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, Maximum Cost Exposure, and Interconnection Facilities, as set by the Interconnection Facilities Study, by more than five (5) percent or one million dollars ($1,000,000), whichever is greater;

(iii) Delay of the Commercial Operation Date or In-Service Date by more than one year; or

(iv) A dispute over the plan of service by an Interconnection Customer shall not be considered a substantial error or omission unless the Interconnection Customer demonstrates that the plan of service was based on an invalid or erroneous study assumption that meets the criteria set forth above. Changes to Interconnection Studies resulting from Interconnection Customer requests, including without limitation, modifications, suspensions, or failures to meet GIA milestones, are not considered errors or omissions.

5.12.2 Other Errors or Omissions; Addendum

If an error or omission in an Interconnection Study report is not a substantial error or omission, the Distribution Provider shall not issue a revised final Interconnection Study report. Rather, the Distribution Provider shall document such error or omission and make any appropriate correction by issuing an addendum to the final report.

The Distribution Provider and applicable Participating TO shall also incorporate, as needed, any corrected information pertinent to the terms or conditions of the GIA in the draft GIA provided to an Interconnection Customer.

5.12.3 Adjustment of Posting Dates

For Clusters 14 and previous: Only substantial errors and omissions related to the Interconnection Study reports can result in adjustments to Interconnection Financial Security posting due dates. Any error or omission found after the second Interconnecting Financial Security posting will not impact the Interconnection Customer's Assigned Cost Responsibility, Maximum Cost Responsibility, or Maximum Cost Exposure.

Unless the error or omission is substantial, resulting in the issuance of a revised final Interconnection Study report, the correction of an error or omission will not delay any deadline for posting Interconnection Financial Security. In the case of a substantial error or omission resulting in the issuance of a revised final report, the deadline for posting Interconnection Financial Security shall be extended. In addition to issuing a revised final report, the Distribution Provider will promptly notify the Interconnection Customer of any revised posting amount and extended due date occasioned by a substantial error or omission.

An Interconnection Customer's dispute of a Distribution Provider determination that an error or omission in a final Study Report does not constitute substantial error shall not operate to change the amount of Interconnection Financial Security that the Interconnection Customer must post or to postpone the applicable deadline for the Interconnection Customer to post Interconnection Financial Security. In case of such a dispute, the Interconnection Customer shall post the amount of Interconnection Financial Security in accordance with this GISP, subject to refund if the Interconnection Customer prevails in the dispute.

5.12.4 Substantial Errors or Omissions Allowing Refunds

Notwithstanding Section 5.2, after the Interconnection Customer has posted its second Commercial Readiness Deposit, it is eligible for a one-hundred percent (100%) refund of its remaining, unspent Commercial Readiness Deposit and all remaining, unspent Study Deposit funds if:

(i) it receives a substantial error or omission; and

(ii) it withdraws its Interconnection Request within sixty (60) days of the publication of the revised Study Report or the termination of its power purchase agreement resulting from the substantial error or omission, Cluster Restudy, and Activities in Preparation for the Interconnection Facilities Study

5.13 Full / Partial Capacity Deliverability Options

This section applies to Interconnection Requests for which the Generating Facility Deliverability Status is either Full Capacity or Partial Capacity.

5.13.1 Deliverability Study Applications and Deposits

For those Interconnection Requests requesting Full or Partial Capacity Deliverability Status, applicants shall be required to submit additional deposits and documentation in accordance with procedures under the CAISO tariff. The CAISO, in its sole discretion shall determine which Interconnection Requests are eligible to be studied for Full or Partial Capacity Deliverability Status. If the Generating Facility is eligible for study for Full or Partial Capacity Deliverability Status, the CAISO will include the Generating Facility in the Interconnection Study process for the Queue Cluster associated with the Cluster Application Window in which the Generating Facility has submitted its study request. The Distribution Provider will work in coordination with both the Interconnection Customer and the CAISO to allow for administration of the Interconnection Study process as determined by the CAISO.

As required by the CAISO, the Interconnection Customer must select one of two options with respect to its Generating Facility:

Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to Commercial Operation. If the Interconnection Customer selects Option (A), then the Interconnection Customer shall be required to make a Commercial Readiness Deposit and GIA Deposit for the cost responsibility assigned to it in the Cluster Study for RNUs and LDNUs; or,

Option (B), which means that the Interconnection Customer will assume cost responsibility for Delivery Network Upgrades (both ADNUs and LDNUs, to the extent applicable) without cash repayment to the extent that sufficient TP Deliverability is not allocated to the Generating Facility to provide its requested Deliverability Status. If the Interconnection Customer selects Option (B) then the Interconnection Customer shall be required to make a Commercial Readiness Deposit and GIA Deposit for the cost responsibility assigned to it in the Cluster Study for RNUs, LDNUs, and ADNUs. To qualify to receive any allocation of TP Deliverability, Interconnection Customers selecting Option (B) must still meet the minimum criteria identified by the CAISO.

5.13.2 One-Time Full Capacity Deliverability Study (ODA)

(No longer used.)

5.13.3 Annual Full Capacity Deliverability Study (AFCDS)

(No longer used.)

5.13.4 Distributed Generation Deliverability Study (DGD)

A Generating Facility previously studied as Energy-Only Deliverability Status under the WDT GISP or Rule 21 (export), or any approved predecessor interconnection procedures may have another option to be studied to determine whether it can be designated for Full Capacity Deliverability Status using available transmission capacity (i.e. with no responsibility to finance delivery network upgrades). An Interconnection Customer must make a request for such a study within the Application Window defined and announced by the CAISO if and when any such capacity is available as determined by CAISO. The Distribution Provider performs the Distributed Generation Deliverability Study according to CAISO Tariff, “Deliverability of Distributed Generation” for any exporting Interconnection Customer selecting this option immediately following the close of the annual application window.

5.13.4.1 Applying for the Distributed Generation Deliverability Study Process

The CAISO will release via Market Notice the "Distributed Generation Deliverability Study Results" each year listing the transmission nodes (substations) studied by the CAISO for excess deliverability capacity available to allocate to other Generating Facilities. Not all substations on this list will have deliverability capacity available to allocate. This is the list against which the Distributed Generation Deliverability study is performed.

Following release of the DGD Study Results, the CAISO will release another Market Notice announcing the DGD Application Window. If capacity is identified in the Distribution Provider's jurisdiction, the Distribution Provider will provide a follow-up notice to Interconnection Customers. This notice will include details about the study process, the current year's study schedule, and an application form with instructions for how to complete and submit the application. This application form includes a preliminary eligibility worksheet that must be completed by the Interconnection Customer before completing and submitting the application. This eligibility worksheet will walk the Interconnection Customer through the CAISO eligibility criteria to determine if the Generating Facility in question is eligible to apply for that year's DGD process.

Interconnection Customers that wish to participate in the Distributed Generation Deliverability Study must submit a unique application for each eligible Generating Facility to the Distribution Provider before close of business (Pacific Time) on the last day of the application window announced by the CAISO Market Notice.

5.13.5 Allocation Process for TP Deliverability

All procedures regarding allocation of TP Deliverability shall be determined by the CAISO in accordance with the most recent CAISO tariff or its successor.

5.14 Reassessment Process

The Distribution Provider will perform a reassessment of the Base Case after each Cluster Study.

The reassessment will evaluate the impacts on those Network Upgrades identified in previous interconnection studies and assumed in the Cluster Study of:

(a) Interconnection Request withdrawals occurring after the completion of the Interconnection Studies for the immediately preceding Queue Cluster;

(b) downsizing requests from Interconnection Customers;

(c) the performance of earlier queued Interconnection Customers with executed GIAs with respect to required milestones and other obligations;

(f) transmission additions and upgrades approved or removed in the most recent TPP cycle.

The Distribution Provider will complete the annual reassessment, including the Cluster Restudy, within one hundred eighty (180) days of the Cluster Study Report Meeting.

5.14.1 Cluster Study Restudy

The Distribution Provider will conduct the Cluster Study Restudy as part of the annual reassessment of the Base Case.

(1) Within twenty (20) days after the Cluster Study Report Meeting, the Interconnection Customer must provide the following:

(a) Demonstration of continued Site Control as acceptable under this GISP; and

(b) An additional deposit that brings the total Commercial Readiness Deposit submitted to the Distribution Provider to five percent (5%) of the Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study in the form of an acceptable Financial Security as defined in section 6.9.2 of this GISP. The Distribution Provider will release the deposit to Interconnection Customer upon withdrawal in accordance with Section 5.2 of this GISP.

The Interconnection Customer will inform the Distribution Provider promptly of any material change to its demonstration of Site Control. Upon the Distribution Provider

determining that Interconnection Customer no longer satisfies the Site Control requirement, the Distribution Provider will notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to the Distribution Provider's approval, not to be unreasonably withheld. Absent such demonstration, the Distribution Provider will deem the subject Interconnection Request withdrawn pursuant to Section 9.1 of this GISP.

(2) If no Interconnection Customer withdraws from the Cluster after completion of the Cluster Study or Cluster Restudy or is deemed withdrawn after completion of the Cluster Study or Cluster Restudy, the Distribution Provider will notify Interconnection Customers in the Cluster that a Cluster Restudy is not required.

(3) If one or more Interconnection Customers withdraw from the Cluster or are deemed withdrawn, the Distribution Provider will conduct a Cluster Restudy as part of the annual reassessment. If the Distribution Provider determines a Cluster Restudy is not necessary, the Distribution Provider will notify Interconnection Customers in the Cluster that a Cluster Restudy is not required and the Distribution Provider will provide an updated Cluster Study Report within thirty (30) days of such determination.

(4) If one or more Interconnection Customers withdraws from the Cluster or is deemed withdrawn, the Distribution Provider will notify Interconnection Customers in the Cluster that a Cluster Restudy is required within thirty (30) days after the Cluster Study Report Meeting. The Distribution Provider will continue with such restudies until the Distribution Provider determines that no further restudies are required. If a Cluster Restudy is required due to a higher queued project withdrawing from the queue, or a modification of a higher or equally queued project, the Distribution Provider will so notify affected Interconnection Customers in writing.

(5) The scope of any Cluster Restudy will be consistent with the scope of an initial Cluster Study. The results of the Cluster Restudy will be combined into a single report (Cluster Restudy Report). The Distribution Provider will hold a meeting with the

Interconnection Customers in the Cluster (Cluster Restudy Report Meeting) within ten (10) Business Days of simultaneously furnishing the Cluster Restudy Report to each Interconnection Customer in the Cluster Restudy.

If additional restudies are required, Interconnection Customer and the Distribution Provider will follow the procedures of this Section 5.14 of this GISP until such time that the Distribution Provider determines that no further restudies are required. The Distribution Provider will notify each Interconnection Customer within the Cluster when no further restudies are required.

5.14.2 Changes in Network Upgrade Assignments as Basis for GIA Amendment

Where, as a consequence of the reassessment, the Distribution Provider determines that changes to the previously identified Network Upgrades in Queue Clusters earlier than the current Interconnection Study Cycle will cause changes to plans of service set out in executed GIAs, such changes will serve as a basis for amendments to GIAs.

5.14.3 Changes in Network Upgrade Assignments as Basis for Changes to CCR, MCR, and MCE

Such changes to plans of service in Queue Clusters earlier than the current Interconnection Study Cycle will also serve as the basis for potential adjustments to the Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure, as applicable, for Network Upgrades for Interconnection Customers in such earlier Queue Clusters, as follows:

(i) An Interconnection Customer shall be eligible for an adjustment to its Maximum Cost Responsibility for Network Upgrades if a reassessment undertaken pursuant to this Section 5.14 reduces its estimated cost responsibility for Network Upgrades by at least twenty (20) percent and $1 million, as compared to its current Maximum Cost Responsibility for Network Upgrades based on its Interconnection Studies or a previous reassessment.

The Maximum Cost Responsibility for an Interconnection Customer who meets

this eligibility criterion will be the lesser of (a) its current Maximum Cost Responsibility and (b) 100 percent of the costs of all remaining Assigned Network Upgrades included in the Interconnection Customer's plan of service.

(ii) If an Interconnection Customer's Maximum Cost Responsibility for Network Upgrades is adjusted downward pursuant to (i) above, and a subsequent reassessment identifies a change on the Distribution Provider's system or the CAISO's system that occurs after the completion of the Interconnection Customer's Interconnection Studies and requires additional or expanded Network Upgrades, resulting in an increase in the Interconnection Customer's estimated cost responsibility for Network Upgrades above the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, then the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades will be the estimated cost responsibility determined in the subsequent reassessment, so long as this amount does not exceed the Maximum Cost Exposure established by the Interconnection Customer's Interconnection Facilities Study. In such cases, where the Current Cost Responsibility determined in the subsequent reassessment exceeds the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades shall not exceed the Maximum Cost Exposure established by its Interconnection Facilities Study. For Interconnection Customers with complete Phase II Interconnection Studies or Interconnection Facilities Studies, the CAISO will publish advisory, non-binding updates to those studies in the reassessment, and binding updates in the following Interconnection Facilities Study.

(iii) To the extent the CAISO determines that previously identified Conditionally Assigned Network Upgrades become Precursor Network Upgrades, or are otherwise removed, the Distribution Provider will adjust the Interconnection Customer's Maximum Cost Exposure, as applicable.

(iv) To the extent the CAISO determines that a Conditionally Assigned Network

Upgrade becomes an Assigned Network Upgrade, the Distribution Provider will adjust the Interconnection Customer's Current Cost Responsibility and Maximum Cost Responsibility, as applicable.

5.15 Application of Withdrawal Penalties and Non-Refundable Amounts

In conjunction with each reassessment, the Distribution Provider will calculate and disburse withdrawal penalties and non-refundable deposits from Interconnection Requests subject to this GISP as follows:

5.15.1 Withdrawal Period

The Distribution Provider shall calculate Withdrawal Penalties based on the period during which the interconnection customer withdrew its interconnection request or terminated its generator interconnection agreement.

For each withdrawal period, the Distribution Provider shall calculate and disburse available Withdrawal Penalties in conjunction with the annual reassessment performed during the year that the withdrawal period ends.

5.15.2 Disbursement of Withdrawal Penalties Assessed Prior to Cluster Study Results

For any Withdrawal Penalties assessed and for an Interconnection Customer that withdraws or is deemed withdrawn during the Cluster Study but before the receipt of a Cluster Study Report, the Distribution Provider will use such funds to offset the costs of the Cluster Restudy on an equal basis for all Interconnection Customers studied in the restudy.

5.15.3 Calculation and Disbursement of Withdrawal Penalties for Still-Needed Network Upgrades at or Above $100,000 Threshold

For each interconnection customer that withdrew its interconnection request or terminated its generator interconnection agreement after the Cluster Study results, the Distribution Provider shall calculate the proportion of the Withdrawal Penalty that is

attributable to Network Upgrades that the Distribution Provider determines will still be needed by remaining Interconnection Customers. For each such still-needed Network Upgrade, the Distribution Provider will divide the Interconnection Customer's Current Cost Responsibility for the Network Upgrade by the Interconnection Customer's total Current Cost Responsibility for all Network Upgrades and multiply this result by the Interconnection Customer's total amount of Withdrawal Penalty.

If the amount of Withdrawal Penalty attributable to a still-needed Network Upgrade, for all Interconnection Customers that withdrew during the same withdrawal period, is equal to or greater than $100,000, then the portion of such amount held or received by the Distribution Provider prior to the stage of the applicable annual reassessment in which the Distribution Provider reallocates cost responsibility for remaining Network Upgrades shall: (a) be disbursed to the Distribution Provider and/or applicable Participating TO(s) as a contribution in aid of construction of the still-needed Network Upgrade, and (b) be reflected as a reduction in the cost of this Network Upgrade for purposes of reallocating the cost responsibility for this Network Upgrade. Any portions of such amounts that the Distribution Provider receives after reallocating cost responsibility for remaining Network Upgrades during the applicable annual reassessment shall be disbursed by the Distribution Provider in the same manner in a subsequent reassessment, based on the date of collection, unless the applicable Network Upgrade is no longer needed.

If a Network Upgrade for which the Distribution Provider disburses funds as a contribution in aid of construction is determined, in a subsequent reassessment, to be no longer needed, such funds will be promptly returned to the Distribution Provider by the applicable Participating TO and re-disbursed by the Distribution Provider.

5.15.4 Calculation and Disbursement of Other Non-Refundable Security and Study Deposits

For each Interconnection Customer that withdrew its Interconnection Request or terminated its Generator Interconnection Agreement during a withdrawal period, any Withdrawal Penalty, as well as any non-refundable deposit not disbursed pursuant to

subsection (b) above, shall be applied to offset Local Transmission Revenue Requirements

5.16 Interconnection Facilities Study and TP Deliverability Allocation Processes

5.16.1 Interconnection Facilities Study Agreement

Within five (5) Business Days following the Distribution Provider's notifying each Interconnection Customer within the Cluster that no further Cluster Restudy is, the Distribution Provider will provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix B to this GISP. The Interconnection Customer will compensate the Distribution Provider, the CAISO, and Participating TO as applicable, for the actual cost of the Interconnection Facilities Study. Within five (5) Business Days following the Cluster Report Meeting or Cluster Restudy Report Meeting if applicable, the Distribution Provider will provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study.

The Interconnection Customer will execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to the Distribution Provider within thirty (30) days after its receipt, together with:

1. Any required technical data;

2. Demonstration of one hundred percent (100%) Site Control; or qualifying regulatory limitation and applicable deposit in accordance with GISP section 1.5.1**;** and

3. An additional deposit that brings the total Commercial Readiness Deposit submitted to the PTO to ten percent (10%) of the Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study or Cluster Restudy, if applicable, in the form of an acceptable Financial Security as defined in section 6.9 of this GISP. The Distribution Provider will initiate the release of the deposit to Interconnection Customer upon withdrawal.

The Interconnection Customer will promptly inform the Distribution Provider of any material change to Interconnection Customer's demonstration of Site Control. Upon the Distribution Provider determining separately that Interconnection Customer no longer satisfies the Site Control requirement, the Distribution Provider will notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to the Distribution Provider's approval, not to be unreasonably withheld. Absent such demonstration, the Distribution Provider will deem the subject Interconnection Request withdrawn.

5.16.2 Scope of the Interconnection Facilities Study

The Interconnection Facilities Study will be performed on a clustered basis. The Interconnection Facilities Study will specify and provide Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure to each Interconnection Customer to implement the conclusions of the Cluster Study Report (and any associated reassessment) in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facilities to the Distribution and Transmission System. The Interconnection Facilities Study will 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 the Participating TO's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The Interconnection Facilities Study will also identify any potential control equipment for (1) requests for Interconnection Service that are lower than the Generating Facility Capacity, and/or (2) requests to study a Generating Facility that includes at least one electric storage resource using operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect its proposed charging behavior, as requested by Interconnection Customer, unless the CAISO determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

5.16.3 Interconnection Facilities Study Procedures

The Distribution Provider will coordinate the Interconnection Facilities Study with the CAISO, and any Affected Systems. The Distribution Provider will utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. The Distribution Provider will complete the study and issue a draft Interconnection Facilities Study Report to the Interconnection Customer within one hundred twenty (120) days after receipt of an executed Interconnection Facilities Study Agreement.

At the request of the Interconnection Customer or at any time the Distribution Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, the Distribution Provider will notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If the Distribution Provider is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study Report within the time required, it will 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) days after receipt of the draft Interconnection Facilities Study Report, provide written comments to the Distribution Provider, which the Distribution Provider will include in completing the final Interconnection Facilities Study Report. The Distribution Provider will 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. The Distribution Provider may reasonably extend such fifteen (15) Business Day period upon notice to Interconnection Customer if Interconnection Customer’s comments require the Distribution Provider, the CAISO, or any applicable Affected System, to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study Report. Upon request, the Distribution Provider will provide the Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality

arrangements provided by the Distribution Provider.

5.16.4 Interconnection Facilities Restudy

If restudy of the Interconnection Facilities Study is required due to a higher or equally queued project withdrawing from the queue or a modification of a higher or equally queued project, the Distribution Provider will update the Interconnection Facilities Study results via the annual reassessment described in Section 5.14. Any cost of restudy will be borne by the Interconnection Customer being restudied.

5.16.5 Results Meeting

Within thirty (30) calendar days of providing the final Interconnection Facilities Study report to the Interconnection Customer, the Distribution Provider, the CAISO as applicable, and the Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study, including selection of the final Commercial Operation Date.

5.17 Commercial Readiness Deposit and Interconnection Financial Securities

5.17 Commercial Readiness Deposit and Interconnection Financial Securities

5.17.1 Types of Commercial Readiness Deposit

The Commercial Readiness Deposit posted by an Interconnection Customer may be any combination of the types of Interconnection Financial Securities accepted by the Distribution Provider as provided in Section 6.9.2 of this GISP.

The Distribution Provider shall require the use of standardized forms of Commercial Readiness Deposit to the greatest extent possible. If at any time the guarantor of the Commercial Readiness Deposit fails to maintain the credit rating required by this Section, the Interconnection Customer shall provide to the Distribution Provider replacement Commercial Readiness Deposit or meeting the requirements of this Section within five (5) Business Days of the change in credit rating.

5.17.2 Interconnection Financial Securities

The Interconnection Financial Securities posted by an Interconnection Customer may be any combination of the types of Interconnection Financial Securities accepted by the Distribution Provider as provided in Section 6.9.2 of this GISP.

The Distribution Provider shall require the use of standardized forms of Interconnection Financial Securities to the greatest extent possible. If at any time the guarantor of the Interconnection Financial Securities fails to maintain the credit rating required by this Section, the Interconnection Customer shall provide to the Distribution Provider replacement Interconnection Financial Securities meeting the requirements of this Section within five (5) Business Days of the change in credit rating.

5.17.2.1 Initial Interconnection Financial Security Posting

Following completion of the initial Cluster Study, the Interconnection Customer must post an initial Interconnection Financial Security pursuant to Section 6.9 of this GISP in order to remain in the Interconnection Cluster Study Process.

5.17.2.2 Second Interconnection Financial Security Posting

Following completion of the Interconnection Facility Study, the Interconnection Customer must post a second Interconnection Financial Security pursuant to Section 6.9 of this GISP in order to remain in the Interconnection Cluster Study Process.

5.17.2.3 Final Interconnection Financial Security For Generating Facilities In The Cluster Study Process

The Interconnection Customer must post Final Interconnection Financial Security following execution of the GIA pursuant to Section 6.9 of this GISP in order to remain in the interconnection process. Failure to do so will result in Interconnection Customer Default on the executed Agreement.

5.18 Generator Interconnection Agreement (GIA)

Once the Interconnection Customer and Distribution Provider have agreed to develop a Generator Interconnection Agreement (GIA), the Interconnection Customer and Distribution Provider will use the processes described in Section 6.8 of this GISP.

5.19 Interconnection Customer To Meet Requirements of the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of the GISP and the terms of the Distribution Provider's Interconnection Handbook, the terms in the GISP shall govern.

Section 6. Provisions that Apply to All Interconnection Requests

6.1 Reasonable Efforts

6.1.1 Fast Track, Independent Study, and Distribution Group Study Processes

The Distribution Provider shall make reasonable efforts to meet all time frames provided in these procedures for the indicated interconnection study processes, including the payment of refunds, unless the Distribution Provider and the Interconnection Customer agree to a different schedule. If the Distribution Provider cannot meet a deadline or timeline provided herein, it shall notify the Interconnection Customer, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process.

6.1.2 Cluster Study and Affected System Study Processes

Distribution or Transmission providers that do not complete a Cluster Study Phase 1 Study, Cluster Study Restudy, or Cluster Study Facilities Study by the respective deadlines specified in Section 5 of this GISP, or an Affected System Study by the deadlines specified in Section 6.10.2 of this GISP will be required to pay a penalty for failure to meet those study deadlines in accordance with the requirements listed below:

6.1.3 Penalties for Failure to Meet Study Deadlines

(1) The interconnecting Distribution Provider will be subject to a penalty if it fails to complete a Cluster Study, Cluster Restudy, Interconnection Facilities Study, or Affected Systems Study by the applicable deadline set forth in the respective sections of this GISP. Distribution Provider must pay the penalty for each late Cluster Study, Cluster Restudy, and Interconnection Facilities Study on a *pro rata* basis per Interconnection Request to all Interconnection Customer(s) included in the relevant study that did not withdraw or were not deemed withdrawn from Distribution Provider's interconnection queue before the missed study deadline. Distribution Provider must pay the penalty for a late Affected Systems Study (performed per Section 6.10.2 of this GISP) on a *pro rata* basis per

interconnection request to all Affected System Interconnection Customer(s) included in the relevant Affected System Study that did not withdraw or were not deemed withdrawn from the host transmission provider's interconnection queue before the missed study deadline. The study delay penalty for each late study will be distributed no later than forty-five (45) calendar days after the late study has been completed.

(2) For penalties assessed in accordance with this Section, the penalty amount will be equal to: $1,000 per Business Day for delays of Cluster Studies beyond the applicable deadline set forth in this GISP; $2,000 per Business Day for delays of the Cluster Restudy beyond the applicable deadline set forth in this GISP; $2,000 per Business Day for delays of Affected System Studies beyond the applicable deadline set forth in this GISP; and $2,500 per Business Day for delays of Interconnection Facilities Studies beyond the applicable deadline set forth in this GISP. The total amount of a penalty assessed under this Section will not exceed: (a) one hundred percent (100%) of the initial study deposit(s) received for all of the Interconnection Requests in the Cluster for Cluster Studies and Cluster Restudies; (b) one hundred percent (100%) of the initial study deposit received for the single Interconnection Request in the study for Facilities Studies; and (c) one hundred percent (100%) of the study deposit(s) that the Distribution Provider (only when acting as the Affected System) collects for conducting the Affected System Study.

(3) The Distribution Provider may appeal to FERC any penalties imposed under this Section. Any such appeal must be filed no later than forty-five (45) calendar days after the late study has been completed. While an appeal to FERC is pending, the Distribution Provider will remain liable for the penalty, but need not distribute the penalty until forty-five (45) calendar days after (1) the deadline for filing a rehearing request has ended, if no requests for rehearing of the appeal have been filed, or (2) the date that any requests for rehearing of FERC's decision on the appeal are no longer pending before FERC. FERC may excuse the

Distribution Provider from penalties under this Section for good cause.

(4) No penalty will be assessed under this Section where a study is delayed by ten (10) Business Days or less. If the study is delayed by more than ten (10) Business Days, the penalty amount will be calculated from the first Business Day the Distribution Provider misses the applicable study deadline.

(5) If (a) the Distribution Provider needs to extend the deadline for a particular study subject to penalties under this Section and (b) all Interconnection Customers or Affected System Interconnection Customers included in the relevant study mutually agree to such an extension, the deadline for that study will be extended thirty (30) Business Days from the original deadline. In such a scenario, no penalty will be assessed for the Distribution Provider missing the original deadline.

(6) No study delay penalties will be assessed until the third Cluster Study cycle after the FERC-approved effective date of the Distribution Provider's filing made in compliance with the Final Rule in Docket No. RM22-14-000.

(7) The Distribution Provider must maintain on its Website summary statistics related to penalties assessed under this Section, updated quarterly. For each calendar quarter, the Distribution Provider must calculate and post (1) the total amount of penalties assessed under this Section during the previous reporting quarter and (2) the highest penalty assessed under this Section paid to a single Interconnection Customer or Affected System Interconnection Customer during the previous reporting quarter. The Distribution Provider must post on its Website these penalty amounts for each calendar quarter within thirty (30) calendar days of the end of the calendar quarter. The Distribution Provider must maintain the quarterly measures posted on its Website for three (3) calendar years with the first required posting to be the third Cluster Study cycle under paragraph (6).

However, the Distribution Provider will not be liable for a study delay penalty(-ies) that results from the inaction of a non-public utility distribution or transmission provider (e.g.,

an Affected System) as long as the Distribution Provider fulfills its obligations detailed in this GISP.

6.2 Disputes

6.2.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

6.2.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

6.2.3 If the dispute has not been resolved within two (2) Business Days after receipt of the Notice, either Party may contact FERC's Dispute Resolution Service (DRS) for assistance in resolving the dispute.

6.2.4 The DRS will assist the Parties in either resolving their dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. DRS can be reached at 1-877-337-2237 or via the internet at Dispute Resolution Service | Federal Energy Regulatory Commission (ferc.gov)

6.2.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.

6.2.6 If neither Party elects to seek assistance from the DRS, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

6.3 Interconnection Metering

Any metering necessitated by the use of the Generating Facility shall be installed at the Interconnection Customer's expense in accordance with Federal Energy Regulatory Commission, state, or local regulatory requirements or the Distribution Provider's specifications.

6.4 Commissioning

Commissioning tests of the Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. The Distribution Provider must be given at least fifteen (15) Business Days written notice, or as otherwise mutually agreed to by the Parties, of the tests and may be present to witness the commissioning tests.

6.5. Confidentiality

6.5.1 Confidential information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." All design, operating specifications, and metering data provided by the Interconnection Customer and all Interconnection Studies, including Facility Modifications, and other types of studies specific to a project shall be deemed confidential information regardless of whether it is clearly marked or otherwise designated as such.

6.5.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

6.5.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

6.5.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of

Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

6.5.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1 b.20, if FERC, 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 Agreement, the Party shall provide the requested information to FERC, within the time provided for in the request for information. In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC. The Party shall notify the other Party to this Agreement when it is notified by FERC 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 § 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.

6.6 Comparability

The Distribution Provider shall receive, process, and analyze all Interconnection Requests in a timely manner as set forth in this document. The Distribution Provider shall process and analyze Interconnection Requests from all Interconnection Customers comparably, regardless of whether the Generating Facility is owned or operated by the Distribution Provider, its subsidiaries or affiliates, or others.

6.7 Record Retention

The Distribution Provider shall maintain for three years records, subject to audit, of all Interconnection Requests received under these procedures, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions

taken on the Interconnection Requests.

6.8 Generator Interconnection Agreement (GIA)

This section applies to all Interconnection Requests except as described in Section 2 Fast Track Process.

6.8.1 Tender

The Distribution Provider shall tender a draft GIA, together with draft appendices, within thirty (30) Calendar Days of the following:

(i) After the Distribution Provider provides the final Interconnection Facilities Study report (or Interconnection Facilities Study Results Meeting if held); or

(ii) After the Distribution Provider provides the final Interconnection System Impact Study report (or Interconnection System Impact Study Results Meeting if held) if the Interconnection Facilities Study is waived; or

(iii) After the Distribution Provider provides the final Phase II Study report (or Phase II Study Results Meeting if held).

The Distribution Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Distribution Provider's FERC-approved form GIA, which is in Attachment L or M to this GISP. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices within thirty (30) Calendar Days.

6.8.1.1 Rule 21 Interconnection Requests and One-Time Election of WDT GIA

Interconnection Customers with Interconnection Requests originally submitted under CPUC Rule 21 may elect a WDT GIA by notifying the Distribution Provider in writing after completion of the study process but no later than seven (7) Calendar Days after completion of the ninety (90)

Calendar Day negotiation period pursuant to Rule 21, Section F.2.e or Rule 21, Section F.3.e,. or after notice period pursuant to Rule 21, Section 3.3.3 of the Fast Track Interconnection Agreement (Form 79-1144) or Detailed Study Interconnection Agreement. On the date the WDT GIA is executed by the Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the FERC, except as otherwise provided in the WDT GIA. Interconnection Customers converting from CPUC to FERC jurisdiction will be subject to Section 8.6 and will be invoiced for any outstanding charges prior to any construction beginning in accordance with the WDT GIA. Failure to pay such invoices within thirty (30) Calendar Days will result in a Notice of Default.

6.8.1.2 Rule 21 Interconnection Requests under the Transmission Cluster Study Process

Interconnection Requests originally submitted under CPUC Rule 21 that fail Rule 21, Section G.3.a (Screen Q) or elect to be studied under the Transmission Cluster Study Process must file an Interconnection Request under the WDT Cluster Study Process pursuant to Rule 21, Section F.3.d. Upon completion of the Cluster Study Process, an eligible Interconnection Customer may make a one-time election to opt for a Rule 21 GIA by notifying the Distribution Provider in writing no later than seven (7) Calendar Days after the Distribution Provider provides the final Phase II Interconnection Study report to the Interconnection Customer. The draft Rule 21 GIA shall be in the form of Distribution Provider's CPUC-approved form Rule 21 GIA. On the date the Rule 21 GIA is executed by the Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the CPUC, except as otherwise provided in the Rule 21 GIA.

6.8.2 Negotiation

Notwithstanding Section 6.8.1, at the request of Interconnection Customer Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than ninety (90) Calendar Days after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 6.8.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 6.2. If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report, fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 6.2 within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report, it shall be deemed to have withdrawn its Interconnection Request.

6.8.3 Execution and Filing

Interconnection Customer shall either: (i) execute two originals of the tendered GIA and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. As soon as practicable, Distribution Provider shall file the unexecuted GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed upon terms of the unexecuted GIA, they may proceed pending FERC action.

Simultaneously with submitting the executed GIA to Distribution Provider, or within ten (10) Business Days after Interconnection Customer requests that the Distribution Provider file the GIA unexecuted at the Commission, Interconnection Customer shall provide Distribution Provider with the following: (1) Site Control pursuant to Section 5.16.1 of this GISP; and (2) the Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the draft GIA inclusive of (1) the total amount of Commercial Readiness Deposits that Interconnection Customer has provided to Distribution Provider for its Interconnection Request and (2) any financial security instruments the Interconnection Customer already may have posted for assigned Network Upgrade costs under GISP Sections 6.9.3 and/or 6.9.4. Eventually, any Commercial Readiness Deposit, this GIA Deposit, or any Initial or Second Financial Security Deposit submitted by the Interconnection Customer for assigned Network Upgrade costs will be rolled into the final financial security posting required under this GISP Section 6.9.5.

Distribution Provider shall use LGIA Deposit as (or as a portion of)

Interconnection Customer's security required under LGIA Article 11.5. Interconnection Customer may not request to suspend its LGIA under LGIA Article 5.16 until Interconnection Customer has provided (1) and (2) to Distribution Provider. If Interconnection Customer fails to provide (1) and (2) to Distribution Provider within the thirty (30) Calendar Days allowed for returning the executed LGIA and appendices under GISP Section 6.8.1, or within ten (10) Business Days after Interconnection Customer requests that Distribution Provider file the LGIA unexecuted at the Commission as allowed in this Section 6.8.4 of this GISP, the Interconnection Request will be deemed withdrawn pursuant to Section 6.9.6 of this GISP.

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 election, has been achieved (unless such milestone is inapplicable due to the characteristics of the Generating Facility): (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility; (ii) the 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.

6.8.4 Delay in GIA Execution, or Filing Unexecuted, to Await Affected System Study Report

If Interconnection Customer has not received its Affected System Study Report from the Affected System Operator prior to the date that it would be required to execute its GIA (or request that its GIA be filed unexecuted) pursuant to Section 6.8 of this GISP, Distribution Provider shall, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report. If Interconnection Customer, after delaying GIA

execution, or requesting unexecuted filing, to await Affected System Study Results, decides to proceed to GIA execution, or request unexecuted filing, without those results, it may notify Distribution Provider of its intent to proceed with GIA execution (or request that its GIA be filed unexecuted) pursuant to Section 6.8 of this GISP. If Distribution Provider determines that further delay to the GIA execution date would cause a material impact on the cost or timing of an equal- or lower-queued interconnection customer, Distribution Provider must notify Interconnection Customer of such impacts and set the deadline to execute the GIA (or request that the GIA be filed unexecuted) to thirty (30) Calendar Days after such notice is provided.

6.8.5 Transition Issues Applicable to Active Interconnection Requests in the Cluster Study Process

Ninety (90) Calendar Days following the FERC-approved effective date of this GIP, Interconnection Customers with active Interconnection Requests in the Cluster Study Process (an active Interconnection Request means that the Interconnection Request has been deemed complete and valid but Interconnection Customer has not executed a GIA or requested a GIA to be filed unexecuted as of the effective date of the GISP) must meet all requirements of the new GISP, including the Site Control, Commercial Readiness Deposits, GIA Deposit, and any other requirements of the GISP, as applicable.

The schedule for any Cluster Study (applicable to Cluster 15 and forward) performed after the effective date of the GISP will be coordinated with the Cluster Studies performed by the CAISO.

Interconnection Customers transitioning to the new requirements may consult with Distribution Provider concerning conversion of existing Interconnection Financial Security postings to the applicable Commercial Readiness Deposit(s) or GIA Deposit on a case-by-case basis.

Interconnection Customers in midst of GIA negotiations ninety (90) Calendar Days following the FERC-approved effective date of this GISP may consult with Distribution Provider concerning whether the parties should commence negotiating the new standard

form GIA on a case-by- case basis.

Any Interconnection Customer with an active Interconnection Request in the Cluster Study Process that fails to meet the Commercial Readiness Deposits, GIA Deposit, or other items listed above within ninety (90) Calendar Days of the FERC-approved effective date of this GIP shall have its Interconnection Request deemed withdrawn by Distribution Provider pursuant to Section 6.9.6 of this GISP. In such case, Distribution Provider shall not assess Interconnection Customer any Withdrawal Penalty.

Interconnection Customers with active Interconnection Requests in the Cluster Study Process may propose modifications to the Interconnection Request at any time, but such modification requests will only be assessed by Distribution Provider after the FERC-approved effective date of the GISP.

6.9 Interconnection Financial Security Posting Requirements

6.9.1 General Financial Security Posting Requirements

The Interconnection Customer must post Interconnection Financial Security pursuant to the requirements of this section of the GISP in order to remain in the Interconnection Study Process.

Information about the types of Interconnection Financial Securities accepted by the Distribution Provider is provided in Section 6.9.2.

Interconnection Customers with a project being studied under the Fast Track process are only responsible for posting a Final Interconnection Financial Security after execution of the Interconnection Agreement, pursuant to Section 6.9.5.

Interconnection Customers with a project being studied under the Independent Study Process, the Distribution Group Study Process, or the Cluster Study Process must post an Initial Interconnection Financial Security following completion of the first interconnection study (SIS or Phase 1 study) pursuant to Section 6.9.3 in order to remain in those study processes.

Interconnection Customers with a project that completes a Facilities Study in the Independent Study Process, or a Phase 2 study in either the Distribution Group Study Process or the Cluster Study Process, also must post a Second Interconnection Financial Security pursuant to Section 6.9.4 in order to remain in those study processes

All Interconnection Customers that execute a Generator Interconnection Agreement must post a Final Interconnection Financial Security pursuant to Section 6.9.5 in order to move that project into interconnection engineering, design, and construction activities.

6.9.2 Types of Interconnection Financial Security

For the financial security requirements described in Sections 6.9.3 through 6.9.5, the Interconnection Financial Security posted by an Interconnection Customer may be any combination of the following types of financial instruments, provided in favor of the Distribution Provider:

(i) An irrevocable and unconditional letter of credit issued by a bank or financial institution that has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;

(ii) An unconditional and irrevocable guaranty issued by a company has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;

(iii) A cash deposit standing to the credit of the Distribution Provider and in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to the Distribution Provider.

(iv) an irrevocable and unconditional surety bond issued by an insurance company that has a credit rating of A or better by Standard and Poors or A2 or better by Moody's

To the greatest extent possible, the Interconnection Customer will use industry standard forms for the instruments of Interconnection Financial Security used in this Section, such as standard forms used within the financial and electrical industries. The instruments of

Interconnection Financial Security listed in this Section shall be in such form and format as the Distribution Provider may reasonably require from time to time by notice to Interconnection Customers, or in such other form as has been evaluated and approved as reasonably acceptable by the Distribution Provider.

If at any time the guarantor of the Interconnection Financial Security fails to maintain the credit rating required by this Section, the Interconnection Customer shall provide to the Distribution Provider replacement Interconnection Financial Security that meets the requirements of this Section within five (5) Business Days of the change in credit rating.

Interest on a cash deposit standing to the credit of the Distribution Provider in an interest-bearing escrow account under subpart (iii) of this Section will accrue to the Interconnection Customer's benefit.

6.9.3 Initial Posting of Interconnection Financial Security

Interconnection Customers with a project studied in the Fast Track Study process do not need to post an initial Interconnection Financial Security. Please refer to Section 6.9.5 for information about posting the Final Interconnection Financial Security.

For projects being studied under the Independent Study Process, the Distribution Group Study Process, or the Cluster Study Process, the Interconnection Customer must post an Initial Interconnection Financial Security pursuant to this section in order to remain in those study processes.

The Interconnection Customer shall post two separate Interconnection Financial Security instruments, as applicable: (i) a posting relating to the Network Upgrades; and (ii) a posting relating to the Distribution Provider's Interconnection Facilities and Distribution Upgrades. The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

6.9.3.1 Timing of Initial Postings of Interconnection Financial Security

For interconnection projects studied in the Independent Study Process or in the Distribution Group Study Process, this initial financial security posting shall be made on or before sixty (60) Calendar Days after the Distribution Provider first provides the ISP System Impact Study results or the DGSP Phase 1 study results to the Interconnection Customer.

For interconnection projects studied in the Cluster Study Process, this initial financial security posting shall be made on or before ninety (90) Calendar Days after the Distribution Provider first provides the CSP Phase 1 Study results to the Interconnection Customer.

6.9.3.2 Initial Posting Amounts For Network Upgrades for a Small Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of the following:

(i) Fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the Interconnection System Impact Study or in the Cluster Phase 1 Study (as applicable) for Network Upgrades;

Or

(ii) $20,000 per megawatt of electrical output of the Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request, including any requested modifications thereto.

6.9.3.3 Initial Posting Amounts for Network Upgrades for a Large Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Large

Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of the following:

(i) Fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the Interconnection System Impact Study or in the Cluster Phase 1 Study (as applicable) for Network Upgrades;

Or

(ii) $20,000 per megawatt of electrical output of the Large Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request, including any requested modifications thereto;

Or

(iii) $7,500,000.

6.9.3.4 Initial Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades

The Interconnection Customer also shall post an Interconnection Financial Security instrument in the amount of the lesser of:

(i) Twenty percent (20%) of the total estimated cost responsibility assigned to the Interconnection Customer in the Interconnection System Impact Study or in the Cluster Phase 1 Study (as applicable) for the Distribution Provider's Interconnection Facilities and Distribution Upgrades,

Or

(ii) $20,000 per megawatt of electrical output of the Generating Facility or the amount of megawatt increase in the generating capacity of each

existing Generation Facility as listed by the Interconnection Customer in its Interconnection Request.

6.9.4 Second Posting of Interconnection Financial Security

Interconnection Customers with a project studied in the Fast Track Study process do not need to post a second Interconnection Financial Security. Please refer to Section 6.9.5 for information about posting the Final Interconnection Financial Security.

Interconnection Customers that have opted to forgo the Facilities Study in the Independent Study Process or the Phase 2 Study in the Distribution Group Study Process and proceed directly to the Interconnection Agreement should refer to Sections 6.9.4.5 and 6.9.5 for instructions for posting the final Interconnection Financial Security instead of this second Interconnection Financial Security.

Following completion of the second interconnection study in the Independent Study Process, the Distribution Group Study Process, or the Cluster Study Process, the Interconnection Customer shall make second postings of two separate Interconnection Financial Security instruments: (i) a second posting relating to the Network Upgrades; and (ii) a second posting relating to the Distribution Provider's Interconnection Facilities and Distribution Upgrades. Instructions for the amounts to be posted are provided in Sections 6.9.4.2 through 6.9.4.4, below. The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

6.9.4.1 Timing of Second Postings of Interconnection Financial Security

For interconnection projects studied in the Independent Study Process or in the Distribution Group Study Process, this second financial security posting shall be made on or before one hundred twenty (120) Calendar Days after the Distribution Provider first provides the ISP Facilities Study results or the DGSP Phase 2 study results to the Interconnection Customer.

For interconnection projects studied in the Cluster Study Process, this second

financial security posting shall be made on or before one hundred eighty (180) Calendar Days after the Distribution Provider first provides the Interconnection Phase 2 Study results to the Interconnection Customer.

6.9.4.2 Second Posting Amounts for Network Upgrades for a Small Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Generating Facility shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for equals the lesser of the following:

(i) $1 million;

Or

(ii) Thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the Interconnection System Impact Study, or Interconnection Facilities Study, whichever is lower.

6.9.4.3 Second Posting Amounts for Network Upgrades for a Large Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Large Generating shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer equals the lesser of the following:

(i) $15 million;

Or

(ii) Thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the Interconnection

System Impact Study, or Interconnection Facilities Study, whichever is lower.

6.9.4.4 Second Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades for Interconnection Requests

The Interconnection Customer also shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades equals thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer in the final Interconnection Facilities Study for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

6.9.4.5 Alteration of Second Posting Date due to Early Commencement of Construction Activities

If the start date for Construction Activities of Network Upgrades, Distribution Provider's Interconnection Facilities and Distribution Upgrades on behalf of the Interconnection Customer is prior to the due date for this second interconnection financial security posting, that start date must be set forth in the Interconnection Customer's GIA (in Attachment 4, "Milestones") and the Interconnection Customer shall make its next posting of Interconnection Financial Security pursuant to Section 6.9.5 rather than GISP Section 6.9.4.

6.9.5 Final Posting of Interconnection Financial Security

At least twenty (20) Business Days prior to the start of Construction Activities for Network Upgrades, or Distribution Provider's Interconnection Facilities, or Distribution Upgrades on behalf of the Interconnection Customer, or on or before the financial security posting milestone date agreed to in the executed GIA (no later than one hundred and eighty (180) Calendar Days after the effective date of the GIA), whichever is earlier, the Interconnection Customer shall post/modify two separate Interconnection Financial

Security instruments as follows:

(i) With respect to the Interconnection Financial Security instrument for Network Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the executed Interconnection Agreement.

(ii) With respect to the Interconnection Financial Security instrument for Distribution Provider's Interconnection Facilities and/or Distribution Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Distribution Provider's Interconnection Facilities in the executed Interconnection Agreement.

The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

6.9.6 Consequences for Failure to Post Interconnection Financial Security

Failure to post the first or second Interconnection Financial Security per Sections 6.9.3 or 6.9.4, or notify that the Interconnection Financial Security was posted, within the required timeframe will result in a Notice of Deemed Withdrawn to be sent to the Interconnection Customer per Section 9.1 "Withdrawal" of this GISP.

Failure to post the final Interconnection Financial Security per Section 6.9.5, or notify that the Interconnection Financial Security was posted, within the required timeframe shall constitute breach of the executed GIA, resulting in a Notice of Default to be sent to the Interconnection Customer, per the effective GIA.

6.9.7 General Effect of Withdrawal of Interconnection Request or Termination of the GIA on Interconnection Financial Security

Withdrawal of an Interconnection Request or termination of a GIA shall allow the Distribution Provider to liquidate the Interconnection Financial Security, or balance thereof, posted by the Interconnection Customer for Network Upgrades at the time of withdrawal. To the extent the amount of the liquidated Interconnection Financial Security plus capital, if any had been separately provided by the Interconnection Customer to satisfy its obligation to finance Network Upgrades in accordance with GISP Section 7.3, exceeds the total cost responsibility for Network Upgrades assigned to the Interconnection Customer by the final Interconnection System Impact Study or Interconnection Facilities Study, whichever is lower, the Distribution Provider shall remit to the Interconnection Customer the excess amount.

Withdrawal of an Interconnection Request or termination of a GIA shall result in the release to the Interconnection Customer of any Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades, except with respect to any amounts necessary to pay for costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer for the Distribution Provider's Interconnection Facilities and Distribution Upgrades and for which the Distribution Provider has not been reimbursed.

Notwithstanding the foregoing in Section 6.9.6, if Interconnection Customer withdraws for the reasons specified in Section 6.9.7.1, the Interconnection Customer may receive partial recovery of its Interconnection Financial Security, as set forth in Section 6.9.7.2.

6.9.7.1 Conditions for Partial Recovery of Interconnection Financial Security Upon Withdrawal of Interconnection Request or Termination of GIA

A portion of the Interconnection Financial Security shall be released to the Interconnection Customer, consistent with GISP Section 6.9.7.2, if the withdrawal of the Interconnection Request or termination of the GIA occurs for any of the following reasons:

(i) Failure to Secure a Power Purchase Agreement.

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has failed to secure an acceptable power purchase agreement for the Energy or capacity of the Generating Facility after a good faith effort to do so. A good faith effort can be established by demonstrating participation in a competitive solicitation process or bilateral negotiations with an entity other than an Affiliate that progressed, at minimum, to the mutual exchange by all counter-parties of proposed term sheets.

(ii) Failure to Secure a Necessary Permit.

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has received a final denial from the primary issuing Governmental Authority of any permit or other authorization necessary for the construction or operation of the Generating Facility.

(iii) Increase in the Cost of Distribution Provider's Interconnection Facilities or Distribution Upgrades.

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on an increase of: (a) more than 30% or $300,000, whichever is greater, in the estimated cost of Distribution Provider's Interconnection Facilities; or (b) more than 30% or $300,000, whichever is greater, in the estimated cost of Distribution Upgrades allocated to the Interconnection Customer from the Interconnection System Impact Study to the Interconnection Facilities Study. This Section 6.9.7.1 (iii) shall not apply if the cause of the cost increase under 6.9.7.1 (i) or 6.9.7.1 (ii) above is the result of a change requested by the Interconnection Customer pursuant to Section 3.5.8 or 4.11.2 of this GISP, as applicable.

(iv) Material Change in Interconnection Customer's Interconnection Facilities Created by the Distribution Provider's Change in the Point of Interconnection.

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on a material change from the Interconnection System Impact Study in the Point of Interconnection for the Generating Facility mandated by the Distribution Provider and included in the final Interconnection Facilities Study. A material change in the Point of Interconnection shall be where the Point of Interconnection has moved to (a) a different substation, (b) a different line on a different right of way, or (c) a materially different location than previously identified on the same line.

6.9.7.2 Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades

(i) Up to One Hundred Twenty (120) Calendar Days After the Final Interconnection Facilities Study Report.

If, at any time after the initial posting of the Interconnection Financial Security for Network Upgrades under GISP Section 6.9.3 and on or before one hundred twenty (120) Calendar Days after the date the Distribution Provider first issues the Interconnection Facilities Study results, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with GISP Section 6.9.7.1, the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under GISP Section 6.9 and reimburse the Interconnection Customer in an amount of:

(a) any posted amount less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of $10,000 per requested and approved megawatt value of the

Generating Facility Capacity at the time of withdrawal being retained by the Distribution Provider), or

(b) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (a) above.

If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (b) above.

(ii) Between One Hundred Eighty-One (181) Calendar Days and After the Final Interconnection Facilities Study Results and the Commencement of Construction Activities. If, at any time between one hundred eighty-one (181) Calendar Days and after the date of issuance of the final Interconnection Facilities Study Report, and the commencement of Construction Activities for either Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with GISP Section 6.9.7.1 the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under GISP Section 6.9 and reimburse the Interconnection Customer in an amount of

(a) any posted amounts less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of $20,000 per requested and approved megawatt value of the Generating Facility Capacity at the time of withdrawal being retained by

the Distribution Provider), or

(b) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (a) above. If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (b) above.

6.9.7.3 Special Treatment Based on Failure to Obtain Necessary Permit or Authorization from Governmental Authority

If at any time after the posting requirement under GISP Section 6.9, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with GISP Section 6.9.7.1 (ii), and the Delivery Network Upgrades to be financed by the Interconnection Customer under GISP Section 3.10 or 4.17, as applicable, that are also to be financed by one or more other Interconnection Customers, then GISP Section 6.9.7.1 (i) shall apply, except that the Interconnection Customer shall not be reimbursed for its share of any actual costs incurred or irrevocably committed by the Distribution Provider for Construction Activities.

6.9.7.4 No Refund of Interconnection Financial Security if Withdrawal After Commencement of Construction Activities

Except as otherwise provided in GISP Section 6.9.7.3, if Interconnection Customer withdraws its Interconnection Request or terminates the GIA at any time after the commencement of Construction Activities on behalf of the Interconnection Customer for Network Upgrades, Distribution

Upgrades, or Distribution Provider's Interconnection Facilities, any withdrawal of the Interconnection Request or termination of the GIA by the Interconnection Customer will be treated in accordance with this GISP Section 6.9.7.

6.9.7.5 Notification to Interconnection Customer and Accounting by Distribution Provider

The Distribution Provider will notify the Interconnection Customer within three (3) Business Days of liquidating any Interconnection Financial Security. Within seventy-five (75) Calendar Days of any liquidating event, the Distribution Provider will provide the Interconnection Customer with an accounting of the disposition of the proceeds of the liquidated Interconnection Financial Security and remit to the Interconnection Customer all proceeds not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer in accordance with this GISP Section 6.9.

6.10 Coordination with Affected Systems

For instances when the Distribution Provider has identified a non-public utility system outside its own territory that may be impacted by one or more of the Distribution Provider's Interconnection Customer's projects, the Distribution Provider will seek coordination with that Affected System using the procedures detailed in this GISP Section 6.10.1, below.

For instances when the Distribution Provider possibly is an Affected System for an interconnection project proposed outside its territory, the Distribution Provider will coordinate with the host distribution provider using the procedures detailed in this GISP Section 6.10.2, below.

6.10.1 Coordination with Other Affected Systems

Pursuant to GISP Section 6.10.1.1 below, the Distribution Provider will notify the Affected System Operators that are potentially affected by the Interconnection

Customer's Interconnection Request or Cluster Study within which the Interconnection Customer's Interconnection Request will be studied. The Distribution Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, to the extent possible, and, if possible, the Distribution Provider will include those results (if available) in its applicable Interconnection Study within the time frame specified in this GISP. The Distribution Provider will include Affected System Operators in all meetings held with the Interconnection Customer as required by this GISP.

The Interconnection Customer will cooperate with the Distribution Provider and Affected System Operator in all matters related to the conduct of studies and the determination of modifications to Affected Systems, including providing consent to Distribution Provider's identification of Interconnection Customer's name, Generating Facility project name, and release of information to the Affected System that the Interconnection Customer provided to the Distribution Provider as part of its current Interconnection Request, and participating in any coordinating activities and communications undertaken by the Affected System or Distribution Provider. If required by an Identified Affected System, the Interconnection Customer will sign separate study agreements with the Identified Affected System and pay for necessary studies. Identified Affected Systems will cooperate with the Distribution Provider in all matters related to the Identified Affected System Operators' determination of modifications to Identified Affected Systems.

6.10.1.1 Timing for Identification of Identified Affected Systems

The Distribution Provider will strive to determine during the initial interconnection study process if there is an Affected System potentially impacted by the Interconnection Customer's Interconnection Request. If the Distribution Provider determines there possibly is an impacted Affected System, the Distribution Provider will provide notice to the Affected System Operators within ten (10) Business Days after providing these initial interconnection study results to the Interconnection Customer.

Within sixty (60) business days of notification from the Distribution Provider, the Affected System Operator will advise the Distribution Provider in writing that either:

(i) the Distribution Provider should consider the electric system to be an Identified Affected System; or

(ii) the electric system should not be considered an Identified Affected System.

If the Affected System Operator fails to advise the Distribution Provider within sixty (60) business days of notification, the Distribution Provider will assume that the electric system is not an Affected System.

The Distribution Provider may notify Affected Systems later than the timing noted above if:

(i) the Distribution Provider failed to identify the Affected System initially;

(ii) the Interconnection Customer modifies its project such that a previously unidentified electric system becomes a potentially Affected System; or

(iii) the Interconnection Customer converts from this Wholesale Distribution Tariff to the CAISO Tariff and the same Affected Systems were not notified previously or the conversion was due to a system change.

In such cases, the Distribution Provider will coordinate with the Interconnection Customer and the potentially Affected System Operator to develop an expedited timeline to determine whether the Affected System is an Identified Affected System. The Distribution Provider then will notify the Interconnection Customer as soon as practical of the new Identified Affected System.

If an electric system operator advises the Distribution Provider that it is an Identified Affected System after the twenty (20) business day notification period, the Distribution Provider will not delay its subsequent interconnection processes, including the synchronization or Commercial Operation of the Generating Facility, for mitigation required by the Affected System unless the Affected System identifies, and the Distribution Provider confirms, a legitimate reliability issue. Where legitimate reliability issues are present, the Distribution Provider will work with the Affected System and the Interconnection Customer to establish temporary mitigations, if possible, for the identified reliability issue. An Affected System's mitigation remedies that may be available outside the Distribution Provider's Wholesale Distribution Tariff GISP are unaffected by these provisions.

6.10.1.2 Affected System Interconnection Studies

If the Affected System decides that it needs to perform an interconnection study to assess the potential impacts of the Distribution Provider's Interconnection Customer's proposed project, the Affected System will be responsible for coordinating with the Interconnection Customer to complete an interconnection study agreement and deposit and complete the Affected System Interconnection Study within 150 calendar days after execution of that interconnection study agreement and deposit.

The Affected System and the Interconnection Customer will include the Distribution Provider on all communications regarding the status of this interconnection study, including providing invitations to the Distribution Provider to participate in the Affected System's interconnection study results meeting.

The Affected System also will ensure the Distribution Provider receives a copy of the Affected System Interconnection Study when it is first provided to the Interconnection Customer.

6.10.1.3 Delay in GIA Execution, or Filing Unexecuted, to Await Affected System Study Report

If Interconnection Customer has not received its Affected System Study Report from the Affected System Operator prior to the date that it would be required to execute its GIA (or request that its GIA be filed unexecuted) pursuant to Section 6.8 of this GISP, Distribution Provider shall, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report. If Interconnection Customer, after delaying GIA execution, or requesting unexecuted filing, to await Affected System Study Results, decides to proceed to GIA execution, or request unexecuted filing, without those results, it may notify Distribution Provider of its intent to proceed with GIA execution (or request that its GIA be filed unexecuted) pursuant to Section 6.8 of this GISP. If Distribution Provider determines that further delay to the GIA execution date would cause a material impact on the cost or timing of an equal- or lower-queued interconnection customer, Distribution Provider must notify Interconnection Customer of such impacts and set the deadline to execute the GIA (or request that the GIA be filed unexecuted) to thirty (30) Calendar Days after such notice is provided.

6.10.2 Coordination when the Distribution Provider is the Affected System

6.10.2.1 Applicability

This Section 6.10.2 outlines the duties of Distribution Provider when it receives notification that an Interconnection Customer's proposed interconnection to a different host distribution or transmission provider may impact Distribution Provider's Distribution System, thus making the Distribution Provider an Affected System relative to that other host distribution or transmission provider.

6.10.2.2 Response to Notification of Cluster Restudy.

Within five (5) Business Days of receipt of notification of Cluster Restudy, Distribution Provider will send written notification to Affected System Interconnection Customer(s) involved in the Cluster Restudy and the host distribution or transmission provider that Distribution Provider intends to delay a

planned or in-progress Affected System Study until after completion of the Cluster Restudy. If Distribution Provider decides to delay the Affected System Study, it is not required to meet its obligations under Section 9 of this GISP until the time that it receives notification from the host distribution or transmission provider that the Cluster Restudy is complete. If Distribution Provider decides to move forward with its Affected System Study despite the Cluster Restudy, then it must meet all requirements under Section 6.10 of this GISP.

6.10.2.3 Affected System Queue Position.

Distribution Provider must assign an Affected System Queue Position to Affected System Interconnection Customer(s) that require(s) an Affected System Study. Such Affected System Queue Position shall be assigned based upon the date of execution of the Affected System Study Agreement. Relative to the Distribution Provider's Interconnection Customers, this Affected System Queue Position shall be higher-queued than any Cluster that has not yet received its Cluster Study Report and shall be lower-queued than any Cluster that has already received its Cluster Study Report. Consistent with section 6.10.7 of this GISP, Distribution Provider shall study the Affected System Interconnection Customer(s) via Clustering, and all Affected System Interconnection Customers studied in the same Cluster under section 6.10.7 of this GISP shall be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position shall have no bearing on the assignment of Affected System Network Upgrades identified in the applicable Affected System Study. The costs of the Affected System Network Upgrades shall be allocated among the Affected System Interconnection Customers in accordance with Section 6.10.2.9 of this GISP.

6.10.2.4 Affected System Study Agreement/Multiparty Affected System Study Agreement.

Unless otherwise agreed, Distribution Provider shall provide to Affected System

Interconnection Customer(s) an Affected System Study Agreement/Multiparty Affected System Study Agreement, in the form of Appendix 9 or Appendix 10 to this GISP, as applicable, within ten (10) Business Days of Distribution Provider sharing the schedule for the Affected System Study per section 6.10.2 of this GISP.

Upon Affected System Interconnection Customer(s)' receipt of the Affected System Study Report, Affected System Interconnection Customer(s) shall compensate Distribution Provider for the actual cost of the Affected System Study. Any difference between the study deposit and the actual cost of the Affected System Study shall be paid by or refunded to the Affected System Interconnection Customer(s). Any invoices for the Affected System Study shall include a detailed and itemized accounting of the cost of the study. Affected System Interconnection Customer(s) shall pay any excess costs beyond the already-paid Affected System Study deposit or be reimbursed for any costs collected over the actual cost of the Affected System Study within thirty (30) Calendar Days of receipt of an invoice thereof. If Affected System Interconnection Customer(s) fail to pay such undisputed costs within the time allotted, it shall lose its Affected System Queue Position. Distribution Provider shall notify Affected System Interconnection Customer's host Distribution Provider of such failure to pay.

6.10.2.5 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement.

Affected System Interconnection Customer(s) shall execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement to Distribution Provider, and provide the Affected System Study deposit within ten (10) Business Days of receipt.

If Distribution Provider notifies Affected System Interconnection Customer(s)

that it will delay the Affected System Study pursuant to section 6.10.2.2 of this GISP, Affected System Interconnection Customer(s) are neither required to execute and return the previously tendered Affected System Study/Multiparty Affected System Study Agreement nor provide the Affected System Study deposit for the previously tendered Affected System Study/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not provide all required technical data when it delivers the Affected System Study Agreement/Multiparty Affected System Study Agreement, Distribution Provider shall notify the deficient Affected System Interconnection Customer, as well as the host Distribution Provider with which Affected System Interconnection Customer seeks to interconnect, of the technical data deficiency within five (5) Business Days of the receipt of the executed Affected System Study Agreement/Multiparty Affected System Study Agreement and the deficient Affected System Interconnection Customer shall cure the technical deficiency within ten (10) Business Days of receipt of the notice: provided, however, that such deficiency does not include failure to deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement or deposit for the Affected System Study Agreement/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not cure the technical data deficiency within the cure period or fails to execute the Affected System Study Agreement/Multiparty Affected System Study Agreement or provide the deposit, the Affected System Interconnection Customer shall lose its Affected System Queue Position.

6.10.2.6 Scope of Affected System Study.

The Affected System Study shall evaluate the impact that any Affected System Interconnection Customer's proposed interconnection to another Distribution Provider's transmission system will have on the reliability of Distribution Provider's Distribution or Transmission System. The Affected System Study shall consider the Base Case as well as all Generating Facilities (and with respect

to (iii) below, any identified Affected System Network Upgrades associated with such higher-queued Interconnection Request) that, on the date the Affected System Study is commenced: (i) are directly interconnected to Distribution Provider's Distribution or Transmission System; (ii) are directly interconnected to another Distribution Provider's transmission system and may have an impact on Affected System Interconnection Customer's interconnection request; (iii) have a pending higher-queued Interconnection Request to interconnect to Distribution Provider's Distribution or Transmission System; and (iv) have no queue position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC. Distribution Provider has no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.

The Affected System Study shall consist of a power flow, stability, and short circuit analysis. The Affected System Study Report will: state the assumptions upon which it is based; state the results of the analyses; and provide the potential impediments to Affected System Interconnection Customer's receipt of interconnection service on its host Distribution Provider's transmission system, 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. For purposes of determining necessary Affected System Network Upgrades, the Affected System Study shall consider the level of interconnection service requested in megawatts by Affected System Interconnection Customer, unless otherwise required to study the full generating facility capacity due to safety or reliability concerns. The Affected System Study Report shall provide a list of facilities that are required as a result of Affected System Interconnection Customer's proposed interconnection to another Distribution Provider's system, a non-binding good faith estimate of cost responsibility, and a non-binding good faith estimated time to construct. The Affected System Study may consist of a system impact study, a facilities study, or some combination thereof.

6.10.2.7 Affected System Study Procedures.

Distribution Provider shall use Clustering in conducting the Affected System Study and shall use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Cluster may cause the need for Affected System Network Upgrades. Distribution Provider shall complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s) and the host Distribution Provider with whom interconnection has been requested within one hundred fifty (150) Calendar Days after the receipt of the Affected System Study Agreement and deposit.

At the request of Affected System Interconnection Customer, Distribution Provider shall notify Affected System Interconnection Customer as to the status of the Affected System Study. If Distribution Provider is unable to complete the Affected System Study within the requisite time period, it shall notify Affected System Interconnection Customer(s), as well as the Distribution Provider with which Affected System Interconnection Customer seeks to interconnect and shall provide an estimated completion date with an explanation of the reasons why additional time is required. If Distribution Provider does not meet the deadlines in this section, Distribution Provider shall be subject to the financial penalties as described in section 6.1.3 of this GISP. Upon request, Distribution Provider shall provide Affected System Interconnection Customer(s) with all supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Affected System Study, subject to confidentiality arrangements consistent with section 6.5 of this GISP. Distribution Provider must study an Affected System Interconnection Customer using the Energy Resource Interconnection Service modeling standard used for Interconnection Requests on its own Distribution or Transmission System, regardless of the level of interconnection service that Affected System Interconnection Customer is seeking from the host Distribution Provider with whom it seeks to interconnect.

6.10.2.8 Meeting with Distribution Provider.

Within ten (10) Business Days of providing the Affected System Study Report to Affected System Interconnection Customer(s), Distribution Provider and Affected System Interconnection Customer(s) shall meet to discuss the results of the Affected System Study.

6.10.2.9 Affected System Cost Allocation.

Distribution Provider shall allocate Affected System Network Upgrade costs identified during the Affected System Study to Affected System Interconnection Customer(s) using a proportional impact method, consistent with section 5.6.1 of this GISP.

6.10.2.10 Tender of Affected Systems Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement.

Distribution Provider shall tender to Affected System Interconnection Customer(s) an Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, as applicable, in the form of Appendix 9 or 10 to this GISP, within thirty (30) Calendar Days of providing the Affected System Study Report. Within ten (10) Business Days of the receipt of the Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, the Affected System Interconnection Customer(s) must execute the agreement or request the agreement to be filed unexecuted with FERC. Distribution Provider shall execute the agreement or file the agreement unexecuted within five (5) Business Days after receiving direction from Affected System Interconnection Customer(s). Affected System Interconnection Customer's failure to execute the Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, or failure to request the agreement to be filed unexecuted with FERC, shall result in the loss of its Affected System Queue Position.

6.10.2.11 Restudy.

If restudy of the Affected System Study is required, Distribution Provider shall notify Affected System Interconnection Customer(s) in writing within thirty (30) Calendar Days of discovery of the need for restudy. Such restudy shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of restudy shall be borne by the Affected System Interconnection Customer(s) being restudied.

6.10.2.12 Delay in GIA Execution, or Filing Unexecuted, to Await Affected System Study Report.

See Section 6.8.4 for this information.

6.11 Capacity of the Generating Facility

6.11.1 If the Interconnection Request is for an increase in capacity for an existing Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Generating Facility.

6.11.2 If the Interconnection Request is for a Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.

6.11.3 The Interconnection Request shall be evaluated using the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system. However, if the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Distribution Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the

Distribution Provider's system. If the Distribution Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Distribution Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.

6.12 Interconnection Customer To Meet Requirements for the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of the GISP and the terms of the Distribution Provider's Interconnection Handbook, the terms of the GISP shall govern.

6.13 Delegation of Responsibility

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

Section 7. Generally Applicable Provisions for the Letter Agreement

This Section 7 shall apply to Letter Agreements for Interconnection Requests processed under the Cluster Study Process, the Independent Study Process or the Fast Track Process. Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Distribution Provider shall offer the Interconnection Customer, a Letter Agreement that authorizes Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection. However, Distribution Provider shall not be obligated to offer a Letter 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 GISP. The Letter Agreement is an optional procedure. The Letter 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.

Following an Interconnection Customer's request for a Letter Agreement, Distribution Provider shall prepare and tender to the Interconnection Customer a draft Letter Agreement in the form of the Distribution Provider's FERC-approved Letter Agreement as set forth in Attachment J to the GISP, including draft exhibits that include the proposed scope of work, estimated costs, payments, financial security and milestones, as applicable. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft exhibits within thirty (30) Calendar Days. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the exhibits to the draft Letter Agreement for not more than ninety (90) Calendar Days after the Distribution Provider tenders the draft Letter Agreement to the Interconnection Customer. 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 Letter Agreement and request submission of the unexecuted Letter Agreement with FERC or initiate Dispute Resolution procedures pursuant to GISP Section 6.2. If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after the Distribution Provider tenders the draft Letter Agreement to the Interconnection Customer, fails to request either the filing of the unexecuted Letter Agreement or initiate Dispute Resolution, it

shall be deemed to have withdrawn its request for a Letter Agreement and the Distribution Provider shall have no further obligation to enter into a Letter Agreement, unless an extension is mutually agreed to by the parties. Distribution Provider shall provide to the Interconnection Customer a final Letter Agreement within fifteen (15) Business Days after the completion of the negotiation process.

Following submission of the final Letter Agreement to the Interconnection Customer, Interconnection Customer shall either: (i) execute two originals of the tendered Letter Agreement and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a Letter Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered Letter Agreement (if it does not conform with a FERC-approved Letter Agreement) or the request to file an unexecuted Letter Agreement, Distribution Provider shall file the Letter Agreement with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the Letter Agreement. An unexecuted Letter Agreement should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request.

If Interconnection Customer executes the final Letter Agreement, Distribution Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the Letter Agreement, subject to modification by FERC. Upon submission of an unexecuted Letter Agreement, Interconnection Customer and Distribution Provider shall promptly comply with the unexecuted Letter Agreement, subject to modification by FERC.

Section 8. General Provisions Concerning Construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades. General Provisions Concerning Funding of Network Upgrades

This Section 8 shall apply, as pertinent, to Interconnection Requests processed under the Cluster Study Process, the Independent Study Process, the Fast Track Process, or the Under 10 kW Inverter Process.

8.1 Schedule

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

8.2 Construction Sequencing

8.2.1 General

In general, the sequence of construction of Distribution Upgrades, Stand Alone Network Upgrades or other Network Upgrades for a single Interconnection Request, or Distribution Upgrades or Network Upgrades identified for the interconnection of Generating Facilities associated with multiple Interconnection Requests, shall be determined, to the maximum extent practical, in a manner that accommodates the proposed Commercial Operation Date set forth in the GIA of the Interconnection Customer(s) associated with the Distribution Upgrades, Stand Alone Network Upgrades or other Network Upgrades.

8.2.2 Advancing Construction of Distribution Upgrades and Network Upgrades that are Part of an Expansion Plan of the Distribution Provider

An Interconnection Customer with a GIA, in order to maintain its In-Service Date, may request that Distribution Provider advance to the extent necessary the completion of Distribution Upgrades and 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 Distribution Provider or approved

ISO transmission plan covering the Distribution Provider's service territory, in time to support such In-Service Date. Upon such request, Distribution Provider will use Reasonable Efforts to advance the construction of such Distribution Upgrades and Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Distribution Provider any associated expediting costs. Interconnection Customer shall be entitled to transmission credits, if any, in accordance with the GIA, for any expediting costs paid for Network Upgrades.

8.3 Network Upgrades

8.3.1 Initial Funding of Network Upgrades

Unless the Distribution Provider elects to fund the full capital for identified Reliability and Delivery Network Upgrades, they shall be funded by the Interconnection Customer(s) either by means of drawing down the Interconnection Financial Security or by the provision of additional capital, at each Interconnection Customer's election, up to a maximum amount no greater than that established by the cost responsibility assigned to each Interconnection Customer(s) established under the respective Interconnection Study Process.

Where the Distribution Provider does not elect to fund the full capital for specific Reliability and Delivery Network Upgrades, the Distribution Provider shall be responsible for funding any capital costs for the Reliability and Delivery Network Upgrades that exceed the total cost responsibility for Reliability and Delivery Network Upgrades assigned to the Interconnection Customer(s) under the respective Interconnection Study Process.

(i) Where the funding responsibility for any Reliability Network Upgrade or Delivery Network Upgrade has been assigned to a single Interconnection Customer in accordance with this GISP, and the Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade or Delivery Network Upgrade, the Distribution Provider shall invoice the

Interconnection Customer up to a maximum amount no greater than that established by the cost responsibility assigned to such Interconnection Customer under the respective Interconnection Study Process.

(ii) Where the funding responsibility for a Reliability Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GISP, and the Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade, the Distribution Provider shall invoice each Interconnection Customer for such Reliability Network Upgrade based on the ratio of the maximum megawatt electrical output of each new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed the Generating Facility's Interconnection Request to the aggregate maximum megawatt electrical output of all such new Generating Facilities and increases in the generating capacity of existing Generating Facilities assigned responsibility for such Reliability Network Upgrade. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the cost responsibility for Reliability Network Upgrades assigned to that Interconnection Customer under the respective Interconnection Study Process.

(iii) Where the funding responsibility for a Delivery Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GISP, and the Distribution Provider has elected not to fund the full capital of the Delivery Network Upgrade, the Distribution Provider shall invoice each Interconnection Customer for such Delivery Network Upgrade based on the percentage flow impact of each assigned Generating Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology as set forth in the ISO Tariff GISP. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the cost responsibility for

Delivery Network Upgrades assigned to that Interconnection Customer under the respective Interconnection Study Process.

Any permissible extension of the Commercial Operation Date of a Generating Facility will not alter the Interconnection Customer's obligation to finance Network Upgrades where the Network Upgrades are required to meet the earlier Commercial Operation Date(s) of other Generating Facilities that have also been assigned cost responsibility for the Network Upgrades.

8.3.2 Reimbursement of Network Upgrade Payments after Commercial Operation Date

After receiving Permission to Operate from the Distribution Provider and achieving Commercial Operation of the Generating Facility, the Interconnection Customer shall be entitled to a repayment for the Interconnection Customer's contribution to the cost of Network Upgrades, in accordance with Article 5.2 of the SGIA or Article 11.4 of the LGIA.

Section 9. Generally Applicable Provisions Regarding, Withdrawal, Transferability of Interconnection Request, Use of Study Deposits, Refunds of Study Deposits, and Other Cost Responsibilities

9.1 Withdrawal

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Distribution Provider, and the Distribution Provider will notify the ISO and Affected System Operator(s), if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by the Distribution Provider of a valid Interconnection Request the Interconnection Customer fails to adhere to the requirements of this GISP, Distribution 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 within five (5) Business Days of the deemed withdrawal. Upon receipt of notice of deemed withdrawal, Interconnection Customer shall have five (5) Business Days in which to either: (i) respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous; or (ii) notify the Distribution Provider of its intent to pursue Dispute Resolution under GISP Section 6.2.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study Process. If an Interconnection Customer disputes the withdrawal and removal from the Interconnection Study Process and has elected to pursue Dispute Resolution as set forth in GISP Section 6.2, Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

In the event of a withdrawal, Distribution Provider, subject to the provisions GISP Section 9.1, shall provide, at Interconnection Customer's request, all information that Distribution Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

9.1.1 Calculation of the Withdrawal Penalty for Cluster Study Interconnection Requests

If the Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn prior to the commencement of the initial Cluster Study, Interconnection Customer will not be subject to a Withdrawal Penalty. If Interconnection Customer withdraws, is deemed withdrawn, or otherwise does not reach Commercial Operation at any point after the commencement of the initial Cluster Study, that Interconnection Customer's Withdrawal Penalty will be the greater of: (1) the Interconnection Customer's study deposit required under Section 6.2 of this GISP; or (2) as follows in (a)–(d):

(a) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Study or after receipt of a Cluster Study Report, but prior to commencement of the Cluster Restudy or Interconnection Facilities Study if no Cluster Restudy is required, Interconnection Customer will be charged two (2) times its actual allocated cost of all studies performed for Interconnection Customers in the Cluster.

(b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports issued pursuant to Section 5.14 of this GISP, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer will be charged five percent (5%) of its estimated Network Upgrade costs.

(c) If Interconnection Customer withdraws or is deemed withdrawn during the Interconnection Facilities Study, after receipt of the Interconnection Facilities Study Report issued pursuant to Section 5.12 of this GISP, or after receipt of the draft GIA but before Interconnection Customer has executed a GIA or has requested that its GIA be filed unexecuted, and has satisfied the other requirements described in Section 2.6.3 of this GISP, Interconnection Customer will be charged ten percent (10%) of its estimated Network Upgrade costs.

(d) If Interconnection Customer has executed a GIA or has requested that its GIA be filed unexecuted and has satisfied the other requirements described in Section 13.3 of this GISP (i.e., Site Control demonstration, GIA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility) and subsequently withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not reach Commercial Operation, that Interconnection Customer's Withdrawal Penalty will be twenty percent (20%)

of its estimated Network Upgrade costs.

9.2 Transferability of Interconnection Request

Prior to execution of a GIA, an Interconnection Customer may transfer its Interconnection Request to another entity only under the following conditions:

(a) The current Interconnection Customer provides Distribution Provider at least fifteen (15) Business Days prior written notice and opportunity to object;

(b) The new entity acquires the specific Generating Facility identified in the Interconnection Request;

(c) The Point of Interconnection does not change; and

(d) The current Interconnection Customer has resolved and paid in full all study and other interconnection costs incurred for the project up to the date of the notice of intent to transfer ownership.

9.3 Use of Interconnection Study Deposit

The Interconnection Study Deposit shall be applied to pay for actual costs incurred by the Distribution Provider, the ISO, or third parties at the direction of the Distribution Provider to perform and administer the Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests.

9.4 Refunds Of Interconnection Study Deposits

9.4.1 Prior to the Execution of the GIA

The Interconnection Study Deposits shall be refundable as follows:

(i) Should an Interconnection Customer withdraw the Interconnection Request, or the Interconnection Request be deemed withdrawn by the Distribution Provider by written notice under Section 9.1 on or before

thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the actual costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii);

(ii) Should an Interconnection Customer withdraw the Interconnection Request, or the Interconnection Request be deemed withdrawn by the Distribution Provider by written notice under Section 9.1 more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GISP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Phase I Interconnection Study for Interconnection Requests processed under the Cluster Study Process or the Interconnection System Impact Study for Interconnection Requests processed under the Independent Study Process, the Distribution Provider shall refund to the Interconnection Customer the difference between (a) the Interconnection Customer's Interconnection Study Deposit and (b) the greater of the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit, up to a maximum of $100,000, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii);

(iii) Should an Interconnection Customer withdraw the Interconnection

Request, or the Interconnection Request be deemed withdrawn by the Distribution Provider by written notice under Section 9.1 at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GISP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Phase I Interconnection Study for Interconnection Requests processed under the Cluster Study Process or the Interconnection System Impact Study for Interconnection Requests processed under the Independent Study Process , the Interconnection Study Deposit shall be non-refundable.

9.4.2 Upon Execution of the GIA

Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, ISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii).

9.5 Responsibility for Actual Costs in Excess of Deposit

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request during an Interconnection Study Process shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that actually have been incurred or irrevocably have been committed to be incurred prior to withdrawal of that Interconnection Request. The Distribution Provider will reimburse the ISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is

allowed to obtain any Interconnection Study data or results of studies performed on its behalf.

9.6 Obligation for Study Costs

Except as otherwise provided in GISP Section 9.6, the Distribution Provider shall charge and the Interconnection Customer(s) shall pay the actual costs of the Interconnection Studies. Where an Interconnection Study is performed by means of a Group Study, the cost of the Group Study will be charged pro rata to each Interconnection Request assigned to the Study Group. The cost of Interconnection Studies performed for an individual Interconnection Request, not part of a Group Study, or as part of the Independent Study Process, will be charged solely to the Interconnection Customer that submitted the Interconnection Request.

The Distribution Provider shall issue invoices for Interconnection Studies that shall include a detailed and itemized accounting of the cost of each Interconnection Study. Whenever the actual cost of performing the Interconnection Studies exceeds the Interconnection Study Deposit, the Interconnection Customer shall pay the undisputed difference in accordance with the Distribution Provider issued invoice within thirty (30) Calendar Days of the invoice date. The Distribution Provider shall not be obligated to continue conducting any interconnection studies nor perform any work toward the project's physical interconnection with the Distribution Provider's Distribution System unless the Interconnection Customer has paid all amounts for Study Costs. Any invoiced study costs still outstanding from the Interconnection Customer at the time the Interconnection Agreement is executed for the Interconnection Customer's project must be paid by the Interconnection Customer no later than the financial security posting milestone negotiated in Attachment 4 of the Interconnection Agreement. Failure to complete payment on those invoices by that date will result in Interconnection Customer default on that executed Agreement.

Any interconnection study costs invoiced to the customer after execution of the Interconnection Agreement must be paid by the Interconnection Customer with thirty

(30) Calendar Days of the date of that invoice. Failure to complete payment on these invoices will result in Interconnection Customer default on the executed Agreement.

Attachment 1

Glossary of Terms

10 kW Inverter Process shall mean 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 GISP 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 shall mean an electric system other than Distribution Provider's Distribution System that may be affected by the proposed interconnection, including but not limited to the Transmission System.

Affected System Facilities Construction Agreement shall mean the agreement contained in Attachment 11 to this GISP that is made between Transmission Provider and Affected System Interconnection Customer to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on Transmission Provider’s Transmission System.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a generating facility to a transmission system other than Transmission Provider’s Transmission System that may cause the need for Affected System Network Upgrades on Transmission Provider’s Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to Transmission Provider’s Transmission System required to accommodate Affected System Interconnection Customer’s proposed interconnection to a transmission system other than Transmission Provider’s Transmission System.

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

Affected System Queue Position shall mean the queue position of an Affected System Interconnection Customer in Transmission Provider's interconnection queue relative to Transmission Provider's Interconnection Customers' Queue Positions.

Affected System Study shall mean the evaluation of Affected System Interconnection Customers' proposed interconnection(s) to a transmission system other than Transmission Provider's Transmission System that have an impact on Transmission Provider's Transmission System, as described in Section 6.10 of this GISP.

Affected System Study Agreement shall mean the agreement contained in Attachment 9 to this GISP that is made between Transmission Provider and Affected System Interconnection Customer to conduct an Affected System Study pursuant to Section 9 of this GISP

Affected System Study Report shall mean the report issued following completion of an Affected System Study pursuant to Section 6.10 of this GISP.

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 (AFCDS) shall mean the annual deliverability study performed by the ISO described in GISP Section 5.13, 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 the Electric Reliability Organization and the Balancing Authority Area of the Distribution System to which the Generating Facility is directly interconnected.

Area Deliverability Constraint shall mean a transmission system operating limit, that would constrain the deliverability of a substantial number of generators if the CAISO were to assign full capacity or partial capacity deliverability status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Controlled Grid in a total amount that is greater than the TP Deliverability for those areas. May also be a transmission system operating limit that constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process (TPP) portfolio for the entire portfolio area. May also be a transmission system operating limit that constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrade (ADNU) shall mean a transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint.

Balancing Authority - An entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

Balancing Authority Area - 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 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 shall mean only Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.

CAISO shall mean California Independent System Operator Corporation. See also ISO.

CAISO Deliverability Application shall mean submittal to the CAISO of all information required for Interconnection Requests seeking Deliverability under the Cluster Study Process pursuant to Section 9.3 of the CAISO Tariff RIS.

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

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

Cluster Application Window shall mean the time period set forth in Section 5 of this GISP.

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Section 5 of this

GISP.

Cluster Restudy Report shall mean the report issued following completion of a Cluster Restudy pursuant to Section 5 of this GISP.

Cluster Restudy Report Meeting shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Section 5 of this GISP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 5 of this GISP.

Cluster Study Agreement shall mean the agreement contained in Attachment 6 to this GISP for conducting the Cluster Study.

Cluster Study Process shall mean the following processes, conducted in sequence: the Cluster Request Window; the Customer Engagement Window and Scoping Meetings therein; the Cluster Study; any needed Cluster Restudies; and the Interconnection Facilities Study.

Cluster Study Report shall mean the report issued following completion of a Cluster Study pursuant to Section 5 of this GISP.

Cluster Study Report Meeting shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 5 of this GISP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Section 5 of this GISP.

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 Electric Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Commercial Readiness Deposit shall mean a deposit paid as set forth in Sections 1.6 and 5 of

this GISP.

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.

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

CPUC shall mean the California Public Utilities Commission.

Customer Engagement Window shall mean the time period set forth in Section 5 of this GISP.

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

Deliverability shall mean the transmission capacity enabling the delivery of energy to the aggregate of load on the CAISO Grid at peak load, under a variety of modeled stressed conditions. Deliverability includes (1) the annual Net Qualifying Capacity (as defined in the CAISO Tariff) of a Generating Facility, as verified through a Deliverability Assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide; (2) the annual Maximum Import Capability of an intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-Serving

Entities collectively can procure from imports at that intertie to meet their resource adequacy requirements; and (3) TP Deliverability.

Deliverability Assessment(s) shall mean an evaluation of the On-Peak Deliverability Assessment set forth in GISP Section 5.8.3.2.1, and the Off-Peak Deliverability Assessment set forth in GISP Section 5.8.3.2.2 to determine if a Generating Facility or a group of Generating Facilities could provide Energy to the CAISO Controlled Grid and be delivered to the aggregate of Load on the CAISO Controlled Grid at Peak Load, under a variety of severely stressed conditions.

Deliverability Status shall mean an attribute of a Generating Facility that is requested by an Interconnection Customer for the Generating Facility, assigned by the CAISO to the Generating Facility through the GISP, GIDAP or other process specified in the CAISO tariff, and that affects the maximum Net Qualifying Capacity to which the Generating Facility could be entitled.

Deliverable Option shall mean an election by an Interconnection Customer seeking Deliverability to interconnect in a Deliverable Zone, and receive cash reimbursement or Merchant Transmission CRRs (as defined in the CAISO Tariff) for Network Upgrades, but without any guarantee of Deliverability.

Deliverable Zone shall mean a Transmission Zone (as defined in the CAISO Tariff) with at least 50 MW of available Deliverability before the Cluster Request Window, as determined by the CAISO.

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. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

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 Group Study Process shall mean the procedure for evaluating an Interconnection

Request for a certified Generating Facility that meets the eligibility requirements of Section 4 of the Wholesale Distribution Tariff, Attachment I.

Distribution Owner shall mean 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 shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission 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 shall mean Distribution 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 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 affect 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.

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

Electrical Independence Test shall mean the test set forth in GISP 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 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).

Environmental Law shall mean Applicable Laws or Regulations relating to pollution or

protection of the environment or natural resources.

Fast Track Process shall mean the procedure for evaluating an Interconnection Request for a certified Generating Facility that meets the eligibility requirements of section 2.1 and 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.

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.

Full Capacity Deliverability Status (FCDS) 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 5.8.3.2.1.

Generating Facility shall mean the Interconnection Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include 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 or the aggregate net capacity of the Generating Facility where it includes more than one device for the production and/or storage for later injection of electricity.

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 and Deliverability Allocation Procedures (GIDAP) shall mean the CAISO's protocol that sets forth the interconnection and allocation procedures applicable to an Interconnection Request pertaining to a Generating Facility that is included CAISO Tariff Appendix DD.

Generator Interconnection Procedures (GIP) shall mean either the definition for either ISO's Tariff Generator Interconnection Procedures (ISO Tariff GIP), or Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP).

Generator Interconnection Study Procedures (GISP) shall mean either the definition for either ISO's Resource Interconnection Standards (ISO Tariff RIS), or Wholesale Distribution Tariff Generator Interconnection Study Procedures (WDT GISP).

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 GISP.

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 GISP 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 Interconnection Customer reasonably expects it will be ready to begin use of Distribution Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer shall mean any entity, including Distribution Provider, the Distribution Owner or any of the affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with 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 shall mean Distribution Provider's Interconnection Facilities and

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 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 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 Cluster 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 Section 3.6 of this GISP.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Attachment 8 of this GISP for conducting the Interconnection Facilities Study.

Interconnection Facilities Study Report shall mean the report issued following completion of an Interconnection Facilities Study pursuant to Section 3.6 of this GISP.

Interconnection Financial Security shall mean the financial instrument(s) submitted by the Interconnection Customer to the Distribution Provider prior to the start of any Construction Activities as a security for the Distribution Provider against the estimated costs of the Construction Activities described in the Generator Interconnection Agreement. The Interconnection Customer may post the Interconnection Financial Security using any of the financial instruments listed in the WDT GISP.

Interconnection Handbook shall mean 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 or to the Transmission System, as such handbooks 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(s), the terms in the Generator Interconnection Procedures shall govern.

Interconnection Request 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 Distribution Provider associated with interconnecting Interconnection Customer's Generating Facility to 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, Distribution Provider's Tariff.

Interconnection Study shall mean any of the following studies: Initial Review, Supplemental Review, Electrical Independence Test, System Impact Study, Facilities Study, DGSP Phase 2 or Phase 2, Cluster Study Phase 1, Cluster Restudy, Cluster Facilities Study, or Affected System Study.

Interconnection Study Deposit shall mean the cash deposit provided to the Distribution Provider by the Interconnection Customer as a requirement of the GISP for a valid Interconnection Request, this deposit to be used to offset the cost of the Interconnection Studies.

Interconnection Study Process shall mean all requirements, actions, and respective obligations of the Distribution Provider and Interconnection Customer under any of the study processes described in the GISP and applicable to an Interconnection Request submitted to the Distribution Provider.

IRS shall mean the Internal Revenue Service.

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 and Deliverability Allocation Procedures (ISO Tariff GIDAP) shall mean the procedures included in 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. See also GIDAP.
GISP

Joint Operating Committee shall be a group made up of representatives from Interconnection Customers and 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.

LGIA Deposit shall mean the deposit Interconnection Customer submits when returning the executed LGIA, or within ten (10) Business Days of requesting that the LGIA be filed unexecuted at the Commission, in accordance with Section 1.6 and Section 5 of the GISP.

Load Serving Entity shall mean the term used in the CAISO Tariff to denote any entity (or its duly designated agent) including a load aggregator or power marketer that (a) (i) serves end users within the CAISO Balancing Authority Area and (ii) has been granted authority or has an obligation pursuant to state or local law, regulation, or franchise to sell electric energy to end users located within the CAISO Balancing Authority Area; (b) (i) is an end user, (ii) has been granted authority pursuant to state or local law or regulation to serve its own load through the purchase of electric energy from an entity that does not qualify as a Load Serving Entity, and (iii) serves its own load through purchases of electric energy from an entity that does not qualify as a Load Serving Entity with respect to such purchases of electric energy, or (c) is a federal power marketing authority that serves end users.

Local Deliverability Constraint shall mean a transmission system operating limit modeled in the GIDAP study process that would be exceeded if the CAISO were to assign Full Capacity

Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade (LDNU) shall mean a transmission upgrade or addition identified by the CAISO in the GIDAP Interconnection Study Process to relieve a Local Deliverability Constraint.

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 shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with an equal or later Queue Position.

Merchant Zone shall mean a Transmission Zone (as defined in the CAISO Tariff) with less than 50 MW of available Deliverability before the Cluster Request Window, as determined by the ISO.

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.

Multiparty Affected System Facilities Construction Agreement shall mean the agreement contained in Attachment 12 to this GISP that is made among Transmission Provider and multiple Affected System Interconnection Customers to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on Transmission Provider’s Transmission System.

Multiparty Affected System Study Agreement shall mean the agreement contained in Attachment 10 to this GISP that is made among Transmission Provider and multiple Affected

System Interconnection Customers to conduct an Affected System Study pursuant to Section 9 of this GISP.

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 Upgrades shall mean additions, modifications, and upgrades to the Distribution Provider's Transmission System required at or beyond the point at which the Distribution System connects to Distribution Provider's Transmission System to accommodate the interconnection of the Generating Facility to Distribution Provider's Transmission System. Network Upgrades do not include Distribution Upgrades. See also: **Area Delivery Network Upgrades; Delivery Network Upgrades; Local Delivery Network Upgrades; and Reliability Network 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 5.8.3.2.2 of the GISP.

On-Peak Deliverability Assessment shall mean the technical study performed under Section 5.8.3.2.1 of the GISP.

Operating Requirements shall mean any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, Balancing Authority Area, or Distribution Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

Participating Transmission Owner shall mean an entity which (i) owns, operates, and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities; and (ii) has transferred to the ISO operational control of such facilities and/or entitlements to be made part of the ISO Grid.

Party or Parties Distribution Provider, Distribution Owner, Interconnection Customer or any combination of the above.**Permissible Technological Advancements** Changes to Generating Facilities that do not require a new Interconnection Request, re-study, or other substantial evaluation because they have little or no potential to substantially change Generating Unit electrical characteristics or affect other Interconnection Customers or Affected Systems.

Phase I Interconnection Study shall mean an 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 RIS. 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 GISP. 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.

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

Point of Interconnection shall mean the point set forth in the GIA where the Interconnection

Facilities connect with Distribution Provider's Distribution System.

Pre-Construction Activities shall mean the actions by the Distribution Provider, other than those required by a Letter Agreement under Section 7 of the GISP, 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.

Proportional Impact Method shall mean a technical analysis conducted by Transmission Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.

Qualifying Capacity shall mean the maximum Resource Adequacy Capacity that a Resource Adequacy Resource may be eligible to provide. The criteria and methodology for calculating the Qualifying Capacity of resources may be established by the CPUC or other applicable Local Regulatory Authority and provided to the CAISO. A resource's eligibility to provide Resource Adequacy Capacity may be reduced below its Qualifying Capacity through the CAISO's assessment of Net Qualifying Capacity.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Section 1.3.6 of this GISP, based upon the date and time of receipt of the valid Interconnection Request by the Distribution Provider and that is represented by a unique identifying code assigned to each Interconnection Request that is deemed complete.

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.

Resource Adequacy (RA) shall mean a mandatory planning and procurement process to ensure adequate resources to serve all customers in real time. The program requires that Load Serving Entities (LSEs) meet a Planning Reserve Margin for their obligations. The program provides deliverability criteria that each LSE must meet, as well as system and local capacity requirements. Rules are provided for "counting" resources towards meeting resource adequacy obligations. The resources that are counted for RA purposes must make themselves available to the California ISO for the capacity for which they were counted. The ISO's Interim Reliability Requirements Program and the resource adequacy under MRTU tariff provisions are intended to complement the State of California's efforts to implement resource adequacy programs.

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 GISP.

Rule 21 shall mean PG&E's Electric Tariff Rule 21.

Scoping Meeting shall mean the meeting between representatives of Interconnection Customer(s) and Distribution Provider, and if applicable, the ISO, conducted for the purpose of

discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials provided by the Interconnection Customer(s), and analyzing such information.

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 site of sufficient size to construct and operate the Generating Facility for such purpose; or (3) any other documentation that clearly demonstrates the Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Distribution Provider will maintain acreage requirements for each Generating Facility type on its website.

Site Exclusivity is the third option to prove Site Control and applies only in instances when the Interconnection Customer has a business (private) or government agency (public) relationship with the project site's deed holder.

(1) For private land, Site Exclusivity shall mean documentation reasonably demonstrating legal authorization from the land owner showing the Interconnection Customer has either (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, Site Exclusivity shall mean documentation from the governing public

agency providing a final, non-appealable permit, license, or other exclusive legal right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility. Such documentation showing exclusive right to use public land under the management of a Local, State, or Federal agency shall be in a form specified by that agency.

Small Generating Facility shall mean an 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, that has a generating capacity of 20 megawatts (MW) or less.

Smart Inverter shall mean a Generating Facility's inverter that performs functions that when activated can autonomously contribute to grid support during excursions from normal operating voltage and frequency system conditions by providing dynamic reactive/real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands and other functions.

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 Distribution Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If Distribution Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Distribution Provider must provide Interconnection Customer a written technical explanation outlining why Distribution Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within fifteen *(*15*)* Business Days of its determination.

Standard 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 Distribution Provider's Tariff.

Substation Network Upgrades shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.

System Network Upgrades shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.

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

Tariff Distribution Provider’s or Affected System’s 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.

Transmission Control Agreement shall mean ISO FERC Electric Tariff No. 7.

Transmission Plan (TP) Deliverability shall mean the capability, measured in MW, of the CAISO Grid as modified by transmission upgrades and additions modeled or identified in the annual Transmission Plan to support the interconnection with Full Capacity Deliverability Status or Partial Capacity Deliverability Status of additional Generating Facilities in a specified geographic or electrical area of the CAISO Grid.

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

Transmission System shall mean the facilities owned, controlled or operated by Distribution 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. Also known as Permission to Parallel for Test Purposes.

Upgrades shall mean 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.

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 mean the penalty assessed by Distribution Provider to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from Distribution Provider's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of Withdrawal Penalty is set forth in Section 9.1.1 of this GISP.

Wholesale Distribution Tariff Generator Interconnection Procedures (WDT GIP) shall mean the procedures included in the Distribution Provider's Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider's Distribution System, as such procedures may be modified from time to time, and accepted by the Commission.

Wholesale Distribution Tariff Generator Interconnection Study Procedures (WDT GISP) shall mean the procedures included in the Distribution Provider's Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider's Distribution System, as such procedures may be modified from time to time, and accepted by the Commission.

Attachment 2

GENERATOR INTERCONNECTION REQUEST

(Online Application)

The following information will be submitted via an online application process at PG&E's Website:

(Note: due to the nature of the online submission, certain information on the online application form may be required.)

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with the Distribution Provider's Distribution System (choose one):
   - ( ) Fast Track Process.
   - ( ) Independent Study Process
   - ( ) Distribution Group Study Process.
   - ( ) Cluster Study Process.

2. This Interconnection Request is for (choose one):

   ( ) A proposed new Generating Facility.
   ( ) An increase in the generating capacity or a Material Modification to an existing Generating Facility.

3. Requested Deliverability Status is for (choose one):

   ( ) Full Capacity (For Independent Study Process, Distributed Group Study Process, or Cluster Study Process applicants only)

   (Note – Deliverability analysis for projects in the Independent Study Process or Distributed Group Study Process will be conducted with the next annual Cluster Study – See GISP Sections 5.1.3 and 5.13)

   ( ) Energy Only

Note 1: Energy Only is the only choice available for Fast Track Interconnection Requests

Note 2: Interconnection Customers requesting Full Capacity Deliverability Status or Partial Capacity Deliverability Status under the Cluster Study Process must submit a separate application to the CAISO during the CAISO's annual cluster application window (October 1 – October 15) and provide the required Cluster Study criteria to CAISO for inclusion in the Cluster Study criteria scoring process which will determine eligibility for the CAISO Deliverability Study process. The application to CAISO is made via the CAISO online application tool at the following link: grip-external.caiso.com.

4. The Interconnection Customer provides the following information:

a. Address or location, including the county, of the proposed new Generating Facility site or, in the case of an existing Generating Facility, the name and specific location, including the county, of the existing Generating Facility;

Project Name: _____

NOTE: The Distribution Provider reserves the right to request the Interconnection Customer change the name of an Interconnection Request to meet the operational needs of the Distribution System.

Project Location:

Street Address: _____

City, State: _____

County: _____

Zip Code: _____

GPS Coordinates (Lat/Long): _____

b. Maximum net megawatt electrical output (as defined by section 2.c of Attachment A to this appendix) of the proposed new Generating Facility or the amount of net megawatt increase in the generating capacity of an existing Generating Facility;

Maximum net megawatt electrical output (MW): _____ ***OR***

Net Megawatt increase (MW):_____

c. Type of project (i.e., gas turbine, hydro, wind, etc.) and general description of the equipment configuration (if more than one type is chosen include net MW for each);

( ) Cogeneration _____ (MW)
( ) Reciprocating Engine _____ (MW)
( ) Biomass _____ (MW)
( ) Steam Turbine _____ (MW)
( ) Gas Turbine _____ (MW)
( ) Wind _____ (MW)
( ) Hydro _____ (MW)
( ) Photovoltaic _____ (MW)
( ) Combined Cycle _____ (MW)
( ) Energy Storage _____ (MW)
( ) Other (please describe): _____ (MW)

_____

General description of the equipment configuration (e.g. number, size, type, etc):

_____

_____

_____

_____

d. Proposed In-Service Date (first date distribution is needed to the facility), Trial Operation date and Commercial Operation Date by day, month, and year and term of service (dates must be sequential):

Proposed In-Service Date: _____

Proposed Trial Operation Date: _____

Proposed Commercial Operation Date: _____

Proposed Term of Service (years): _____

e. Name, address, telephone number, and e-mail address of the Interconnection Customer's contact person (primary person who will be contacted);

Name: _____

Title: _____

Company Name: _____

Street Address: _____

City, State: _____

Zip Code: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

DUNS Number: _____

f. Approximate location of the proposed Point of Interconnection (i.e., specify distribution facility interconnection point name, voltage level, and the location of interconnection):

_____

_____

g If applicable, (1) the requested operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) to be used by Transmission Provider that reflect the proposed charging behavior of a Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to its intended operation.

5. Representative of the Interconnection Customer to contact:

Name: _____

Title: _____

Company Name: _____

Street Address: _____

City, State: _____

Zip Code: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

6. The preparer's electronic certification that all information submitted is true and correct.

7. Pursuant to the online instructions, the Interconnection Customer shall provide:

a. Interconnection Request fee and applicable deposit amount as specified in the GISP,

b. The information requested in Appendix A to this GISP Attachment 2 (Interconnection Request Generating Facility Data),

c. Evidence of Site Exclusivity as specified in the GISP and name(s), address(es) and contact information of site owner(s),

Appendix A To GISP Attachment 2 Interconnection Request

GENERATING FACILITY DATA

Provide this completed form pursuant to the online instructions:

1. **Provide electronic copies of all the following:**

   A. Site drawing to scale, showing generator location and Point of Interconnection with the Distribution Provider's Distribution System.

   B. Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required protection devices and circuit breakers. For wind and photovoltaic generator plants, the one line diagram should include the distribution lines connecting the various groups of generating units, the generator capacitor banks, the step up transformers, the distribution lines, and the substation transformers and capacitor banks at the Point of Interconnection with the Distribution Provider's Distribution System.

2. Generating Facility Information

   A. Total Generating Facility rated output (MW): _____

   B. Generating Facility auxiliary Load (MW): _____

   C. Project net capacity (A-B)(MW): _____

   D. Standby Load when Generating Facility is off-line (MW): _____

   E. Number of Generating Units:_____

   (Please repeat the following items for each generator)

   F. Individual generator rated output (MW for each unit):_____

G. Manufacturer and Model Number (of generator or inverter):

_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

H. Year Manufactured: _____

I. Nominal Terminal Voltage (kV): _____

J. Rated Power Factor (%):_____

K. Type (Induction, Synchronous, D.C. with Inverter): _____

L. Phase (three phase or single phase): _____

M. Connection (Delta, Grounded WYE, Ungrounded WYE, impedance grounded):

_____

N. Generator Voltage Regulation Range (+/- %): _____

O. Generator Power Factor Regulation Range: _____

P. For combined cycle plants, specify the plant net output capacity (MW) for an outage of the steam turbine or an outage of a single combustion turbine _____

3. Synchronous Generator – General Information:

(Please repeat the following for each generator model)

A. Rated Generator speed (rpm): _____

B. Rated MVA: _____

C. Rated Generator Power Factor: _____

D. Generator Efficiency at Rated Load (%): _____

E. Moment of Inertia (including prime mover): _____

F. Inertia Time Constant (on machine base) H: _____ sec or MJ/MVA

G. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current): _____

H. Please attach generator reactive capability curves.

I. Rated Hydrogen Cooling Pressure in psig (Steam Units only): _____

J. Please attach a plot of generator terminal voltage versus field current that shows the air gap line, the open-circuit saturation curve, and the saturation curve at full load and rated power factor.

Models for Non-synchronous Generating Facilities

For a non-synchronous Generating Facility, Interconnection Customer shall provide (1) a validated user-defined root mean squared (RMS) positive sequence dynamics model; (2) an appropriately parameterized generic library RMS positive sequence dynamics model, including model block diagram of the inverter control and plant control systems, as defined by the selection in Table 1 (below) or a model otherwise approved by the Western Electricity Coordinating Council, that corresponds to Interconnection Customer's Generating Facility; and (3) if applicable, a validated electromagnetic transient model if Transmission Provider performs an electromagnetic transient study as part of the interconnection study process. A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and represents the entities' control strategies but does not necessarily correspond to any generic library model. Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (e.g., an attestation from Interconnection Customer that the model accurately represents the entire Generating

Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Generating Facility; or test data).

Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models

GE PSLF	Siemens PSS/E*	PowerWorld Simulator	Description
pvd1		PVD1	Distributed PV system model
der_a	DERAU1	DER_A	Distributed energy resource model
regc_a	REGCAU1, REGCA1	REGC_A	Generator/converter model
regc_b	REGCBU1	REGC_B	Generator/converter model
wt1g	WT1G1	WT1G and WT1G1	Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)
wt2g	WT2G1	WT2G and WT2G1	Generator model for generic Type-2 wind turbines
wt2e	WT2E1	WT2E and WT2E1	Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g
reec_a	REECAU1, REECA1	REEC_A	Renewable energy electrical control model
reec_c	REECCU1	REEC_C	Electrical control model for battery energy storage system
reec_d	REECDU1	REEC_D	Renewable energy electrical control model
wt1t	WT12T1	WT1T and WT12T1	Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)
wt1p_b	wt1p_b	WT12A1U_B	Generic wind turbine pitch controller for WTGs of Types 1 and 2
wt2t	WT12T1	WT2T	Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance)
wtgt_a	WTDTAU1, WTDTA1	WTGT_A	Wind turbine drive train model
wtga_a	WTARAU1, WTARA1	WTGA_A	Simple aerodynamic model
wtgp_a	WTPTAU1, WTPTA1	WTGPT_A	Wind Turbine Generator Pitch controller
wtgq_a	WTTQAU1, WTTQA1	WTGTRQ_A	Wind Turbine Generator Torque controller
wtgwgo_a	WTGWGOAU	WTGWGO_A	Supplementary control model for Weak Grids
wtgibffr_a	WTGIBFFRA	WTGIBFFR_A	Inertial-base fast frequency response control

GE PSLF	Siemens PSS/E*	PowerWorld Simulator	Description
wtgp_b	WTPTBU1	WTGPT_B	Wind Turbine Generator Pitch controller
wtgt_b	WTDTBU1	WTGT_B	Drive train model
repc_a	Type 4: REPCAU1 (v33), REPCA1 (v34) Type 3: REPCTAU1 (v33), REPCTA1 (v34)	REPC_A	Power Plant Controller
repc_b	PLNTBU1	REPC_B	Power Plant Level Controller for controlling several plants/devices In regard to Siemens PSS/E*: Names of other models for interface with other devices: REA3XBU1, REAX4BU1- for interface with Type 3 and 4 renewable machines SWSAXBU1- for interface with SVC (modeled as switched shunt in powerflow) SYNAXBU1- for interface with synchronous condenser FCTAXBU1- for interface with FACTS device
repc_c	REPCCU	REPC_C	Power plant controller

4. Excitation System Information
(Please repeat the following for each generator model)

A. Indicate the Manufacturer and Type of excitation system used for the generator. For exciter type, please choose from 1 to 9 below or describe the specific excitation system.

( ) (1) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is independent of the generator terminal voltage and current.

( ) (2) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is bus fed from the generator terminal voltage.

( ) (3) Rotating DC commutator exciter with non-continuously acting regulator (i.e., regulator adjustments are made in discrete increments).

( ) (4) Rotating AC Alternator Exciter with non-controlled (diode) rectifiers. The regulator power source is independent of the generator terminal voltage and current (not bus-fed).

( ) (5) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers. The regulator power source is fed from the exciter output voltage.

( ) (6) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers.

( ) (7) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from the generator terminal voltage.

( ) (8) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from a combination of generator terminal voltage and current (compound-source controlled rectifiers system.

( ) (9) Other (specify): _____

B. Attach a copy of the block diagram of the excitation system from its instruction manual. The diagram should show the input, output, and all feedback loops of the excitation system.

C. Excitation system response ratio (ASA):_____

D. Full load rated exciter output voltage: _____

E. Maximum exciter output voltage (ceiling voltage):_____

F. Other comments regarding the excitation system? _____

_____

5. Power System Stabilizer Information

(Please repeat the following for each generator model. All new generators are required to install PSS unless an exemption has been obtained from WECC. Such an exemption can be obtained for units that do not have suitable excitation systems.)

A. Manufacturer: _____

B. Is the PSS digital or analog: _____

C. Note the input signal source for the PSS:

( ) Bus frequency____( ) Shaft speed_____( ) Bus Voltage

( ) Other (specify source): _____

D. Please attach a copy of a block diagram of the PSS from the PSS Instruction Manual and the correspondence between dial settings and the time constants or PSS gain.

E: Other comments regarding the PSS:

_____

6. Turbine-Governor Information

(Please repeat the following for each generator model)

Please complete Part A for steam, gas or combined-cycle turbines, Part B for hydro turbines, and Part C for both.

A. Steam, gas or combined-cycle turbines:

(1) List type of unit (Steam, Gas, or Combined-cycle): _____

(2) If steam or combined-cycle, does the turbine system have a reheat process (i.e., both high and low pressure turbines)? _____

(3) If steam with reheat process, or if combined-cycle, indicate in the space

provided, the percent of full load power produced by each turbine:

Low pressure turbine or gas turbine: _____%

High pressure turbine or steam turbine: _____%

B. Hydro turbines:

(1) Turbine efficiency at rated load: _____%

(2) Length of penstock: _____ft

(3) Average cross-sectional area of the penstock: _____ft2

(4) Typical maximum head (vertical distance from the bottom of the penstock, at the gate, to the water level): _____ft

(5) Is the water supply run-of-the-river or reservoir: _____

(6) Water flow rate at the typical maximum head: _____ft3/sec

(7) Average energy rate: _____kW-hrs/acre-ft

(8) Estimated yearly energy production: _____kW-hrs

C. Complete this section for each machine, independent of the turbine type.

(1) Turbine manufacturer: _____

(2) Maximum turbine power output: _____MW

(3) Minimum turbine power output (while on line): _____MW

(4) Governor information:

(a) Droop setting (speed regulation): _____

(b) Is the governor mechanical-hydraulic or electro-hydraulic (Electro-

hydraulic governors have an electronic speed sensor and transducer.)? ____

_____

(c) Other comments regarding the turbine governor system?

_____

7. Induction Generator Data:

A. Rated Generator Power Factor at rated load: _____

B. Moment of Inertia (including prime mover): _____

C. Do you wish reclose blocking?_____( )Yes _____( )No
Note: Sufficient capacitance may be on the line now, or in the future, and the generator may self-excite unexpectedly.

7a. Wind Generators:

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

_____

Average Site Elevation: _____( )Single Phase_____( )Three Phase

Inverter manufacturer, model name, number, and version:

_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

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

_____

Field Volts: _____

Field Amperes: _____

Motoring Power (MW): _____

Neutral Grounding Resistor (If Applicable): _____

I22t 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 100 MVA Base

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet 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.

8. Generator Short Circuit Data

For each generator model, provide the following reactances expressed in p.u. on the generator base:

( ) X"1 – positive sequence subtransient reactance: _____p.u.**

( ) X2 – negative sequence reactance: _____p.u.**

( ) X0 – zero sequence reactance: _____

Generator Grounding (select 1 for each model):

A. ( ) Solidly grounded

B. ( ) Grounded through an impedance

(Impedance value in p.u. on generator base R: _____p.u. X: _____p.u.)

C. ( ) Ungrounded

9. Step-Up Transformer Data

For each step-up transformer, fill out the data form provided in Table 1.

10. Interconnection Facilities Line Data

There is no need to provide data for new lines that are to be planned by the Distribution Provider. However, for distribution lines that are to be planned by the generation developer, please provide the following information:

Nominal Voltage: _____kV

Line Length: _____miles

Line termination Points: _____

Conductor Type: _____Size: _____

If bundled. Number per phase: _____, Bundle spacing: _____in.

Phase Configuration. Vertical: _____, Horizontal:_____

Phase Spacing: A-B: _____ft.,____B-C: _____ft.,____C-A: _____ft.

Distance of lowest conductor to Ground at full load and 40 C: _____ft

Ground Wire Type: _____ Size: _____ Distance to Ground: _____ft

Attach Tower Configuration Diagram

Summer line ratings in amperes (normal and emergency) _____

Positive Sequence Resistance (R): _____ p.u.** (for entire line length)

Positive Sequence Reactance: (X): _____ p.u.**(for entire line length)

Zero Sequence Resistance (R0): _____ p.u.** (for entire line length)

Zero Sequence Reactance: (X0): _____ p.u.** (for entire line length)

Line Charging (B/2): _____ p.u.**

** On 100-MVA and nominal line voltage (kV) Base

10a. For generators with a collector system, provide collector System Equivalence Impedance Data

Provide values for each equivalence collector circuit at all voltage levels.

Nominal Voltage: _____

Summer line ratings in amperes (normal and emergency) _____

Positive Sequence Resistance (R1): _____ p.u. ** (for entire line length of each collector circuit)

Positive Sequence Reactance: (X1): _____ p.u.** (for entire line length of each collector circuit)

Zero Sequence Resistance (R0): _____ p.u. ** (for entire line length of each collector circuit)

Zero Sequence Reactance: (X0): _____ p.u.** (for entire line length of each collector circuit)

Line Charging (B/2): _____ p.u.** (for entire line length of each collector circuit)

** On 100-MVA and nominal line voltage (kV) Base

11. Inverter-Based Machines

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

_____Cumulative short circuit current from all inverters: _____

_____

Please repeat the following for each inverter model

Inverter manufacturer, model name, number, and version:

_____

_____

_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

Nominal Inverter AC output voltage _____

List of adjustable set points for the protective equipment or software

_____

_____

Harmonics Characteristics

_____

_____

Start-up requirements

_____

Maximum design fault contribution current (with LVRT enabled):

Isc max current during fault detection _____

Duration of Isc max _____

Isc max after fault detection _____

llv max current for low voltage ride through (LVRT) _____

Duration of llv max _____

Attach Manufacturer Technical Data Specification Sheet

Is the inverter capable of providing reactive only current during a system fault that occurs beyond the Point of Interconnection?

If yes, provide the minimum time required before the inverter can return to normal operating mode following the fault clearance.

Will the inverter go into a blocking mode (i.e. connected to the grid but not injecting any current into the grid) during system fault conditions?

Describe the operating conditions wherein the inverter will enter into a blocking mode.

Provide the time duration the inverter remains in the blocking mode before returning to the normal current injecting.

Is the return time programmable? If yes, provide the range for the return time.

Is the inverter capable of being programmed to lock itself out for certain operating conditions? If yes, can the feature be enabled or disabled in the field?

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet 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.

11a. Energy Storage

Description of the intended use of the storage system (e.g., export to the grid, peak shaving, load shifting, etc.): _____

Provide the following information for each type of storage device:

Manufacturer and model: _____

Electrical Source Function

Maximum storage MWh capability: _____ MWh

Rated constant MW discharge: _____ MW

Maximum operating constant MW discharge: _____ MW

Specify the devices which will be used to limit the discharge (e.g., inverters, storage control, etc.):_____

_____

_____

Electrical Load Function

Rated charging demand (load): _____ MW

Will the Distribution System be used to charge the storage device

(Yes/No):_____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

Primary frequency response operating range for electric storage resources:

Minimum State of Charge: _____

Maximum State of Charge: _____

11b. Voltage/Power Factor Control

Provide a general description of the voltage/power factor control mechanism that will be installed to meet the requirement below. Include a) a list of all devices that will be providing voltage/reactive support, and b) information regarding their operation and control. These devices should be modeled accordingly in the load flow/dynamic models described in section 12.

Reactive Capability Requirements

Synchronous Generators – The Generating Unit will maintain a composite power delivery at continuous rated power output at the terminals of the Electric Generating Unit at a power factor within the range of 0.95 leading to 0.90 lagging.

Asynchronous Generators – The Generating Unit will 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. 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 reactors, or a combination of the two. Refer to FERC Order No. 827 for more detail.

12. Load Flow and Dynamic Models:

Provide load flow model for the generating plant and its interconnection facilities in GE PSLF *.epc format, including new buses, generators, transformers, interconnection facilities. An equivalent model is required for the plant with generation collector systems. This data should reflect the technical data provided in this Attachment A.

For each generator, governor, exciter and power system stabilizer, select the appropriate dynamic model from the General Electric PSLF Program Manual and provide the required input data. The manual is available on the GE website at www.gepower.com. Select the following links within the website: 1) Our Businesses, 2) GE Power Systems, 3) Energy Consulting, 4) GE PSLF Software, 5) GE PSLF User's Manual. Include any user written *.p EPCL files to simulate inverter based plants' dynamic responses (typically needed for inverter based PV/wind plants). Provide a completed *.dyd file that contains the information specified in this section.

There are links within the GE PSLF User's Manual to detailed descriptions of specific models, a definition of each parameter, a list of the output channels, explanatory notes, and a control system block diagram. The block diagrams are also available on the CAISO Website.

If you require assistance in developing the models, we suggest you contact General Electric. Accurate models are important to obtain accurate study results. Costs associated with any changes in facility requirements that are due to differences between model data provided by the generation developer and the actual generator test data, may be the responsibility of the generation developer.

TABLE 1

TRANSFORMER DATA

(Provide for each level of transformation)

UNIT _____

NUMBER OF TRANSFORMERS _____ PHASE _____

RATING	H Winding	X Winding	Y Winding
Rated MVA	_____	_____	_____
Connection (Delta, Wye, Gnd.)	_____	_____	_____
Cooling Type (OA,OA/FA, etc) :	_____	_____	_____
Temperature Rise Rating	_____	_____	_____
Rated Voltage	_____	_____	_____
BIL	_____	_____	_____
Available Taps (% of rating)	_____	_____	_____
Load Tap Changer? (Y or N)	_____	_____	_____
Tap Settings		_____	_____
IMPEDANCE	H-X	H-Y	X-Y
Percent	_____	_____	_____
MVA Base	_____	_____	_____
Tested Taps	_____	_____	_____
WIND RESISTANCE	H	X	Y

Ohms	_____	_____	_____

CURRENT TRANSFORMER RATIOS

H____ X____ Y____ N____

Percent exciting current at 100% Voltage _____110% Voltage _____

Supply copy of nameplate and manufacture's test report when available

Attachment 3

Certification Codes and Standards

IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

UL 1741 Supplement A (with California Requirements) standard for Smart Inverters – applicable to Interconnection Requests received and deemed valid on and after September 9, 2017.

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)

IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in

Electrical Power Systems NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

Attachment 4

Certification of Generator Equipment Packages

1.0 Generating Facility equipment proposed for use separately or packaged with other equipment in an interconnection system shall be considered certified for interconnected operation if (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced below by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in GISP Attachment 3, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.

2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the N RTL.

3.0 Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.

4.0 If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.

5.0 Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.

6.0 An equipment package does not include equipment provided by the utility.

7.0 Any equipment package approved and listed in a state by that state’s regulatory body for interconnected operation in that state prior to the effective date of these generator interconnection procedures shall be considered certified under these procedures for use in that state.

Attachment 5

Application, Procedures, and Terms and Conditions for Interconnecting a Certified Inverter-Based Generating Facility No Larger than 10 kW ("10 kW Inverter Process")

1.0 Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to Distribution Provider ("Company").

2.0 The Company acknowledges to the Customer receipt of the Application within three (3) Business Days of receipt.

3.0 The Company evaluates the Application for completeness and notifies the Customer within ten (10) Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.

4.0 The Company verifies that the Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the Generator Interconnection Procedures (GISP). The Company has fifteen (15) Business Days to complete this process. Unless the Company determines and demonstrates that the Generating Facility cannot be interconnected safely and reliably, the Company approves the Application and returns it to the Customer. Note to Customer: Please check with the Company before submitting the Application if disconnection equipment is required.

5.0 After installation, the Customer returns the Certificate of Completion to the Company. Prior to parallel operation, the Company may inspect the Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary.

6.0 The Company notifies the Customer in writing that interconnection of the Generating Facility is authorized. If the witness test is not satisfactory, the Company has the right to disconnect the Generating Facility. The Customer has no right to operate in parallel until a witness test has been performed, or previously waived on the Application. The Company is obligated to complete this witness test within ten (10) Business Days of the

receipt of the Certificate of Completion. If the Company does not inspect within ten (10) Business Days or by mutual agreement of the Parties, the witness test is deemed waived.

7.0 Contact Information – The Customer must provide the contact information for the legal applicant (i.e., Interconnection Customer). If another entity is responsible for interfacing with the Company, that contact information must be provided on the Application.

8.0 Ownership Information – Enter the legal names of the owner(s) of the Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.

9.0 UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation. The certification requirements of UL 1741 Supplement A (with California Requirements) for Smart Inverters shall apply to Applications received and deemed valid on and after September 9, 2017.

Application for Interconnecting a Certified Inverter-Based Generating Facility
No Larger than 10kW

This Application is considered complete when it provides all applicable and correct information required below. Per GISP section 1.5 documentation of site control must be submitted with the Interconnection Request GISP. Additional information to evaluate the Application may be required.

Processing Fee

A non-refundable processing fee of $100 must accompany this Application.

Interconnection Customer

Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address:

Contact (if different from Interconnection Customer)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Owner of the facility (include % ownership by any electric utility): _____

Generating Facility Information

Location (if different from above): _____

Electric Service Company:_____

Account Number:_____

Inverter Manufacturer:_____ Model _____

NOTE: In accordance with UL 1741 Supplement A, all new interconnection requests submitted on or after September 9, 2017 for inverter-based generating facilities must be designed with and install UL-1741 SA certified Smart Inverters.

Is the inverter identified above a certified smart inverter per UL-1741 SA?

_____ Yes _____ No

Nameplate Rating:_____ (kW) _____ (kVA) _____ (AC Volts)

Single Phase_____ Three Phase_____

System Design Capacity:_____ (kW)_____ (kVA)

Prime Mover: Photovoltaic □ Reciprocating Engine □ Fuel Cell □

Turbine □ Other (describe) _____

Energy Source: Solar □ Wind □ Hydro □ Diesel □ Natural Gas □

Fuel Oil □ Other (describe)_____

Is the equipment UL1741 Listed: _____ Yes _____ No

If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date: _____ Estimated In-Service Date:_____

The 10 kW Inverter Process is available only for inverter-based Generating Facilities no larger than 10 kW that meet the codes, standards, and certification requirements of Attachments 3 and 4 of the Generator Interconnection Procedures (GISP), or Distribution Provider has reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate.

List components of the Generating Facility equipment package that are currently certified:

	Equipment Type	Certifying Entity
1.	_____	_____

2. _____ _____

3. _____ _____

4. _____ _____

5. _____ _____

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW and return the Certificate of Completion when the Generating Facility has been installed.

Signed: _____

Title: _____ Date: _____

Contingent Approval to Interconnect the Generating Facility

(For Company use only)

Interconnection of the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Company Signature: _____

Title: _____ Date: _____

Application ID number: _____

Company waives inspection/witness test? Yes_____No___

Generating Facility Certificate of Completion

Is the Generating Facility owner-installed? Yes_____ No _____

Interconnection Customer:_____

Contact Person:_____

Address:_____

Location of the Generating Facility (if different from above):

City: _____ State: _____ Zip Code:_____

Telephone (Day):_____ (Evening): _____

Fax: _____ E-Mail Address:_____

Electrician:

Name: _____

Address:_____

City: _____ State: _____ Zip Code:_____

Telephone (Day):_____ (Evening): _____

Fax: _____ E-Mail Address:_____

License number:_____

Date Approval to Install Facility granted by the Company: _____

Application ID number:_____

Inspection:

The Generating Facility has been installed and inspected in compliance with the local building/electrical code of _____

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

_____

Print Name: _____

Date: _____

As a condition of interconnection, you are required to send/fax a copy of this form along with a copy of the signed electrical permit to (insert Company information below):

Name: _____

Company: _____

Address: _____

City, State ZIP: _____

Fax: _____

Approval to Energize the Generating Facility (For Company use only)

Energizing the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW

Company Signature: _____

Title: _____ Date: _____

Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW

1.0 Construction of the Facility

Interconnection Customer (the "Customer") may proceed to construct (including operational testing not to exceed two hours) the Generating Facility when Distribution Provider (the "Company") approves the Interconnection Request (the "Application") and returns it to the Customer.

2.0 Interconnection and Operation

The Customer may operate Generating Facility and interconnect with the Company's electric system once all of the following have occurred:

2..1 Upon completing construction, the Customer will cause the Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

2.2 The Customer returns the Certificate of Completion to the Company, and

2.3 The Company has either:

2.3.1 Completed its inspection of the Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Company, at its own expense, within ten (10) Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written statement that the Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

2.3.2 If the Company does not schedule an inspection of the Generating Facility

within ten (10) Business Days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or

2.3.3 The Company waives the right to inspect the Generating Facility.

2.4 The Company has the right to disconnect the Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

3.0 **Safe Operations and Maintenance**

The Customer shall be fully responsible to operate, maintain, and repair the Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4.0 **Access**

The Company shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Generating Facility at all times. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 **Disconnection**

The Company may temporarily disconnect the Generating Facility upon the following conditions:

5.1 For scheduled outages upon reasonable notice.

5.2 For unscheduled outages or emergency conditions.

5.3 If the Generating Facility does not operate in the manner consistent with these Terms and Conditions.

5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

6.0 Indemnification

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

7.0 Insurance

The Parties agree to follow all applicable insurance requirements imposed by the state in which the Point of Interconnection is located. All insurance policies must be maintained with insurers authorized to do business in that state.

8.0 Limitation of Liability

Each party’s liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney’s fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

9.0 Termination

The agreement to operate in parallel may be terminated under the following conditions:

9.1 By the Customer

By providing written notice to the Company.

9.2 **By the Company**

If the Generating Facility fails to operate for any consecutive 12 month period or the Customer fails to remedy a violation of these Terms and Conditions

9.3 **Permanent Disconnection**

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Generating Facility.

9.4 **Survival Rights**

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

10.0 **Assignment/Transfer of Ownership of the Facility**

This Agreement shall survive the transfer of ownership of the Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.

Attachment 6

ATTACHMENT 6 to GISP
GENERATOR INTERCONNECTION STUDY PROCESS 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 _____, ("Distribution Provider "). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is requesting a Deliverability Assessment under the Full Capacity Deliverability Assessment pursuant to GISP Section 5.13 or Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility under the Cluster Study Process consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

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

WHEREAS, the Interconnection Customer has requested Distribution Provider to perform Interconnection Studies to assess the system impact of interconnecting the Generating Facility to the Distribution System, and any Affected Systems and to specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Distribution Provider’s electric system to physically and electrically connect the Generating Facility to the Distribution Provider’s Distribution System in accordance with Good Utility Practice;

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 Distribution Provider's FERC approved GISP.

2.0 Interconnection Customer elects and Distribution Provider shall cause to be performed Interconnection Studies, including any accelerated Interconnection Study, consistent with the GISP.

3.0 The scope of the Interconnection Studies shall be subject to the assumptions set forth in Appendices A and B to this Agreement.

4.0 The Interconnection Studies will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting, subject to any modifications in accordance with Section 5.3 of the GISP and modifications to the proposed Commercial Operation Date of the Generating Facility permitted by the GISP. Distribution Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Studies. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the Interconnection Studies may be modified as specified in the GISP.

5.0 The Interconnection Study report for each Interconnection Study shall provide the information specified in the GISP.

6.0 Interconnection Customer shall provide Interconnection Financial Security in accordance with GISP Section 5.17.2.1 on or before ninety (90) Calendar Days after publication of the final Phase I Interconnection Study report.

Upon completion of the Interconnection Studies, Distribution Provider shall charge and Interconnection Customer shall pay its pro rata share of the actual costs of the Interconnection Study pursuant to section 5.1.4.4 of the GISP.

7.0 The Distribution Provider may provide copies of the Interconnection Studies results to the ISO, an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from any Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection.

8.0 Substantial portions of technical data and assumptions used to perform the Interconnection Studies, such as system conditions, existing and planned generation, and

unit modeling, may change after the Distribution Provider provides the Interconnection Studies results to the Interconnection Customer. Interconnection Studies results will reflect available data at the time the Distribution Provider provides the Interconnection Study reports to the Interconnection Customer. The Distribution Provider shall not be responsible for any additional costs for Distribution Provider's Interconnection Facilities and Distribution Upgrades that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

9.0 The Distribution Provider shall maintain records and accounts of all costs incurred in performing the Interconnection Study in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Distribution Provider's offices and at its own expense, to audit the Distribution Provider's records as necessary and as appropriate in order to verify costs incurred by the Distribution Provider. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Distribution Provider, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Distribution Provider's notification of the final costs of the Interconnection Studies.

10.0 In accordance with Section 9.1 of the GISP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the Distribution Provider. Upon receipt of such notice, this Agreement shall terminate, subject to the requirements of Section 9.3 and 6.5 of the GISP.

11.0 This Agreement shall become effective upon the date the fully executed Agreement is received by the Distribution Provider. If the Distribution Provider does not receive the fully executed Agreement pursuant to Section 5.1.6 of the GISP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the Distribution Provider pursuant to Section 5.1.6 of the GISP.

12.0 Miscellaneous.

12.1 Dispute Resolution.

12.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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 the GISP.

12.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement 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") and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 12.1.2, the terms of this Section 12.1.2 shall prevail.

12.1.3 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 this Agreement and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

12.1.4 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.

12.2 Confidentiality. Confidential Information shall be treated in accordance with Section 6.5 of the GISP.

12.3 Binding Effect. This Agreement and the rights and obligations hereof, shall be

binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

12.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Agreement or such Appendix to this Agreement, or such Section of the GISP or such Appendix to the GISP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section, 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".

12.6 Entire Agreement. This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with

reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Agreement.

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

12.8 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Termination or default of this Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

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

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

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

12.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations.

12.13 Reservation of Rights. The Distribution Provider shall each have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

12.14 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

12.15 Assignment. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign

this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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.

For: **Pacific Gas and Electric**

Signed by: _____

Printed Name: _____

Position / Title: _____

Date: _____

For: **[Insert full company name]**

Signed by: _____

Printed Name: _____

Position / Title: _____

Date: _____

Appendix A To Attachment 6
Generator Interconnection
Study Process Agreement

ASSUMPTIONS USED IN CONDUCTING THE PHASE I INTERCONNECTION STUDY

The Phase I Interconnection Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on_____, subject to any modifications in accordance with Section 5.11.2 of the GISP, and the following assumptions:

1. Designated Point of Interconnection and configuration to be studied.

_____
_____
_____
_____
_____
_____
_____

2. Deliverability status requested:

☐ Full capacity; or ☐ Energy only

Project Name: _____

Project Queue #: _____

Appendix B to Attachment 6
Generator Interconnection
Study Process Agreement

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER PRIOR TO COMMENCEMENT OF THE PHASE II INTERCONNECTION STUDY

Project Name: _____

Queue #s: _____

1. Generating Facility size (MW):_____
2. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, distribution circuits, etc.
3. One set of metering is required for each generation connection to the new ring bus or existing Distribution Provider station. Number of generation connections: _____
4. On the one line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
5. On the one line diagram indicate the location of auxiliary power. (Minimum load on CT/PT)
6. Will an alternate source of auxiliary power be available during CT/PT maintenance?

   ____Yes ____No
7. 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).
8. What type of control system or PLC will be located at Interconnection Customer's Large Generating Facility?

_____

9. What protocol does the control system or PLC use?

_____

10. Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, distribution line, and property line.
11. Physical dimensions of the proposed interconnection station:

_____

12. Bus length from generation to interconnection station:

_____

13. Line length from interconnection station to Distribution Provider's distribution line.

_____

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

15. Number of third party easements required for distribution lines*:

_____

* To be completed in coordination with Distribution Provider.

16. Is the Generating Facility in the Distribution Provider's service area?

____ Yes ____ No If no, what is the Local provider:

_____

17. Please provide the following proposed schedule dates (as known):

a. Environmental survey start: _____

b. Environmental impact report submittal: _____

c. Procurement of project equipment: _____

d. Begin Construction: _____

e. Generator step-up transformer: _____

f. Receive back feed power: _____

g. Generation Testing: _____

h. Commercial Operation Date: _____

18. Level of ISO Grid Deliverability Desired -- Choose one of the following:

_____ Energy Only

_____ Full Capacity

19. TP Deliverability -- Choose one of the following:

_____ **Option (A)**, which means that the Generating Facility requires TP Deliverability to be able to continue to commercial operation.

_____ **Option (B)**, which means the Interconnection Customer will continue to commercial operation without an allocation of TP Deliverability.

Attachment 7 to the Generator Interconnection Study Procedures (GISP)

Interconnection 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 _____, a____ _____ existing under the laws of the State of_____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the Distribution Provider's Distribution System;

WHEREAS, the Interconnection Customer has requested the Distribution Provider to perform an Interconnection System Impact Study(ies) to assess the impact of interconnecting the Generating Facility with the Distribution Provider's Distribution 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 or the meanings specified in the standard Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause to be performed an Interconnection System Impact Study(ies) consistent with the standard

Generator Interconnection Procedures in accordance with the Wholesale Distribution Tariff.

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

4.0 An Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. The Distribution Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection System Impact Study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

5.0 An Interconnection System Impact Study shall consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews, as necessary. An Interconnection System Impact Study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement 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. An Interconnection System Impact Study shall provide a list of facilities that are required as a result of the Interconnection Request and non-binding good faith estimates of cost responsibility and time to construct.

6.0 An Interconnection System Impact Study shall incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.

7.0 Affected Systems may participate in the preparation of an Interconnection System Impact Study, with a division of costs among such entities as they may agree. All Affected

Systems shall be afforded an opportunity to review and comment upon an Interconnection System Impact Study that covers potential Adverse System Impacts on their electric systems, and the Distribution Provider has twenty (20) additional Business Days to complete an Interconnection System Impact Study requiring review by Affected Systems.

8.0 If the Distribution Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required Distribution Upgrades and Network Upgrades, the Interconnection System Impact Study shall consider all generating facilities (and with respect to paragraph 8.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced:

8.1 Are directly interconnected with the Distribution Provider's electric system; or

8.2 Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and

8.3 Have a pending higher queued Interconnection Request to interconnect with the Distribution Provider's electric system.

9.0 An Interconnection System Impact Study, if required, shall be completed and the results transmitted to the Interconnection Customer within sixty (60) Business Days after this Agreement is signed by the Parties, or in accordance with the Distribution Provider's queuing procedures.

10.0 A deposit of the equivalent of the good faith estimated cost of an Interconnection System Impact Study may be required from the Interconnection Customer.

11.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit with

interest within thirty (30) Calendar Days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within thirty (30) Calendar Days of the invoice with interest.

13.0 Reservation of Rights

The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms, and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

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.

Pacific Gas & Electric Company	**[Insert Name of Interconnection Customer]**
Signed _____	Signed _____
Name _____ *(Please Print)*	Name _____ *(Please Print)*
Title _____	Title _____
Date _____	Date _____

Project Name _____

Project Queue _____

Attachment A

to Interconnection System Impact Study Agreement

Assumptions Used in Conducting the Interconnection System Impact Study

The Interconnection System Impact Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with the standard Generator Interconnection Procedures, and the following assumptions:

1) Designate Point of Interconnection and configuration to be studied.

_____

_____

_____

_____

_____

2) Designate possible alternative Point of Interconnection and configuration.

_____

_____

_____

_____

_____

3) Other assumptions (provided by the Distribution Provider).

(a) **General Project Information:** The Interconnection Customer has requested that Pacific Gas and Electric Company (PG&E) perform a System Impact Study (SIS) for its project, (project name), located at (project address) in (county name) County. This project is a proposed (total # MW) MW (per the submitted application) (Select from list) generator to be interconnected with PG&E's distribution system. Under the terms of a Small Generator Interconnection Agreement, all output power will be exported to PG&E's distribution grid.

(b) **Deadline for Returning the Signed Agreement to PG&E:** Per Section 3.5.3 of the

Generator Interconnection Study Procedures (GISP), the Interconnection Customer must execute and return the attached agreement within thirty (30) Business Days from the tendering of this agreement – i.e., by (enter date due).

(c) **Failure to Meet Signature Deadline:** Per Section 3.5.3 of the GISP, if the Interconnection Customer fails to return an executed agreement within those thirty (30) Business Days, the project will be withdrawn from the interconnection queue.

(d) **System Impact Study Schedule:** The general schedule is shown in the table below: The actual milestone dates will be determined based on the date PG&E receives this executed agreement.

Task	Description	Target Date
1	Establish study commencement date based on receipt of signed Study Agreement or receipt of the customer's payment on the SIS invoice, whichever is later.	Within 2 BD of receipt of executed SIS Agreement or the SIS invoice payment from the customer, whichever is later.
2	PG&E Issues Final SIS report.	Within 60 BD of start of SIS process
3	Hold SIS Results Meeting between PG&E and Interconnection Customer	Within 20 BD of sending Final SIS report to Interconnection Customer

(e) **Refunds of Interconnection Study Deposits**: Please refer to Section 9.4 of the GISP for detailed information about the timing and availability of refunds of System Impact Study deposits.

(f) **Responsibility for Actual Costs in Excess of Deposit**: Per Sections 9.5 and 9.6 of the GISP, the Interconnection Customer is responsible for the actual costs of preparing the Interconnection Study(-ies).

Attachment 8

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 _____, a_____ _____ existing under the laws of the State of_____, ("Distribution Provider"). Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the Distribution Provider's Distribution System;

WHEREAS, the Distribution Provider has completed an Interconnection System Impact Study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Distribution 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 Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility with the Distribution Provider's Distribution 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 or the meanings specified in the standard Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Distribution Provider shall cause an Interconnection Facilities Study consistent with the standard Generator Interconnection Procedures to be performed in accordance with the Wholesale Distribution Tariff.

3.0 The scope of the Interconnection Facilities Study shall be subject to data provided in Attachment A to this Agreement.

4.0 The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the Interconnection System Impact Study(s). The Interconnection Facilities Study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Distribution Provider's Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

5.0 The Distribution Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Generating Facility if it is willing to pay the costs of those facilities.

6.0 A deposit of the good faith estimated Interconnection Facilities Study costs may be required from the Interconnection Customer. In cases where Upgrades are required, the Interconnection Facilities Study draft report must be completed within sixty (60) Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the Interconnection Facilities Study draft report must be completed within forty-five (45) Business Days.

7.0 Once the Interconnection Facilities Study is completed, an Interconnection Facilities Study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the Interconnection Facilities Study draft report must be completed and the Interconnection Facilities Study draft report transmitted within sixty (60) Business Days of the Interconnection Customer's agreement to conduct an Interconnection Facilities Study.

8.0 Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Distribution Provider, which Distribution Provider shall include in the final report. Distribution 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. Distribution Provider may reasonably extend such fifteen (15) day period upon notice to Interconnection Customer if Interconnection Customer’s comments required Distribution Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study report. Upon request, Distribution 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 5.5 of the standard Generator Interconnection Procedures.

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

10.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

11.0 The Interconnection Customer must pay any study costs that exceed the deposit with interest within thirty (30) Calendar Days on receipt of the invoice or resolution of any

dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within thirty (30) Calendar Days of the invoice with interest.

12.0 Reservation of Rights

The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms, and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

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.

For the Distribution Provider	**For the Interconnection Customer**
Pacific Gas and Electric	**[Insert Interconnection Customer Name}**
Signed _____	Signed _____
_____	_____
(Printed Name)	*(Printed Name)*
Title _____	Title _____
Date _____	Date _____

Project Name: _____

Project Queue Number: _____

Attachment A

to Interconnection Facilities Study Agreement

Data to Be Provided by the 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, distribution circuits, etc.

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

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

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 the one-line diagram).

What type of control system or PLC will be located at the Generating Facility?

_____

_____

What protocol does the control system or PLC use?

_____

_____

Please provide a 7.5-minute quadrangle map of the site. Indicate the plant, station, distribution line, and property lines.

Physical dimensions of the proposed interconnection station:

_____

Bus length from generation to interconnection station:

_____

Line length from interconnection station to Distribution Provider's Distribution System.

_____

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

_____

Number of third party easements required for distribution lines*:

_____

* To be completed in coordination with Distribution Provider.

Is the Generating Facility located in Distribution Provider's service area?

_____ Yes _____ No If No, please provide name of local provider:

_____

Please provide the following proposed schedule dates:

Begin Construction	Date:	_____
Generator step-up transformers receive back feed power	Date:	_____
Generation Testing	Date:	_____
Commercial Operation	Date:	_____

Other assumptions and Study Information (provided by the Distribution Provider).

(a) **General Project Information:** The Interconnection Customer has requested that Pacific Gas and Electric Company (PG&E) perform a Facilities Study (FAS) for its project, (project name), located at (project address) in (county name) County. This project is a proposed (total # MW) MW (per the submitted application) (Select from list) generator to be interconnected with PG&E's distribution system. Under the terms of a Small Generator Interconnection Agreement, all output power will be exported to PG&E's distribution grid.

(b) **Deadline for Returning the Signed Agreement to PG&E:** Per Section 3.6.1 of the Generator Interconnection Study Procedures (GISP), the Interconnection Customer must execute and return this agreement within thirty (30) Business Days from the tendering of this agreement – i.e., by (enter date due).

(c) **Failure to Meet Signature Deadline:** Per Section 3.6.1 of the GISP, if the Interconnection Customer fails to return an executed agreement within those thirty (30) business days, the project will be withdrawn from the interconnection queue.

(d) **Facilities Study Schedule:** The general schedule is shown in the table below: The actual milestone dates will be determined based on the date PG&E receives this executed agreement.

Task	Description	Target Date
1	Establish study commencement date based on receipt of signed Study Agreement or receipt of the customer's payment on the FAS invoice, whichever is later.	Within 2 BD of receipt of executed FAS Agreement or the FAS invoice payment from the customer, whichever is later.
2	PG&E Issues Final FAS report.	Within 60 BD of start of FAS process
3	Hold FAS Results Meeting between PG&E and Interconnection Customer	Within 20 BD of sending Final FAS report to Interconnection Customer

(e) **Refunds of Interconnection Study Deposits**: Please refer to Section 9.4 of the GISP for detailed information about the timing and availability of refunds of Facilities Study deposits.

(f) **Responsibility for Actual Costs in Excess of Deposit:** Per Sections 9.5 and 9.6 of the GISP, the Interconnection Customer is responsible for the actual costs of preparing the Interconnection Study(-ies).

Attachment 9 to GISP

TWO-PARTY AFFECTED SYSTEM 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 _____ (Affected System Interconnection Customer) and _____, a _____ organized and existing under the laws of the State of _____ (Distribution Provider). Affected System Interconnection Customer and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Affected System Interconnection Customer is proposing to develop a {description of generating facility or generating capacity addition to an existing generating facility} consistent with the interconnection request submitted by Affected System Interconnection Customer to {name of host distribution provider}, dated _____, for which {name of host distribution provider} found impacts on Distribution Provider's Distribution and/or Distribution System; and

WHEREAS, Affected System Interconnection Customer desires to interconnect the {generating facility} with {name of host distribution provider}'s distribution system;

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 this LGIP.

2.0 Distribution Provider shall coordinate with Affected System Interconnection Customer to perform an Affected System Study consistent with Section 9 of this LGIP.

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

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customer and {name of host distribution provider}. Distribution Provider reserves the right to request additional technical information from Affected System Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study.

5.0 The Affected System Study 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;

- non-binding, good faith estimated cost and time required to construct facilities required on Distribution Provider's Distribution System to accommodate the interconnection of the {generating facility} to the distribution system of the host distribution provider; and

- description of how such facilities will address the identified short circuit, instability, and power flow issues.

6.0 Affected System Interconnection Customer shall provide a deposit of _____ for performance of the Affected System Study. Upon receipt of the results of the Affected System Study by the Affected System Interconnection Customer, Distribution Provider shall charge, and Affected System Interconnection Customer shall pay, the actual cost of the Affected System Study. Any difference between the deposit and the actual cost of the Affected System Study shall be paid by or refunded to Affected System Interconnection Customer, as appropriate, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations.

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

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

{Insert name of Distribution Provider}

By: _____ By: _____
Title: _____ Title: _____
Date: _____ Date: _____

{Insert name of Affected System Interconnection Customer}
By: _____
Title: _____
Date: _____

Project No.____

Attachment 9 to the WDT GISP
Two-Party Affected System Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE AFFECTED SYSTEM STUDY

The Affected System Study will be based upon the following assumptions:
{Assumptions to be completed by Affected System Interconnection Customer and Distribution Provider}

ATTACHMENT 10 to GISP

MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20___, by and among _____, a _____ organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); _____, a _____ organized and existing under the laws of the State of_____ (Affected System Interconnection Customer); and _____, a _____ organized and existing under the laws of the State of _____ (Distribution Provider). Affected System Interconnection Customers and Distribution Provider each may be referred to as a "Party," or collectively as the "Parties." When it is not important to differentiate among them, Affected System Interconnection Customers each may be referred to as "Affected System Interconnection Customer" or collectively as the "Affected System Interconnection Customers."

RECITALS

WHEREAS, Affected System Interconnection Customers are proposing to develop {description of generating facilities or generating capacity additions to an existing generating facility}, consistent with the interconnection requests submitted by Affected System Interconnection Customers to {name of host distribution provider}, dated _____, for which {name of host distribution provider} found impacts on Distribution Provider's Distribution System; and

WHEREAS, Affected System Interconnection Customers desire to interconnect the {generating facilities} with {name of host distribution provider}'s distribution system;

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 this LGIP.

2.0 Distribution Provider shall coordinate with Affected System Interconnection Customers to perform an Affected System Study consistent with Section 9 of this LGIP.

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

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customers and {name of host distribution provider}. Distribution Provider reserves the right to request additional technical

information from Affected System Interconnection Customers as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study.

5.0 The Affected System Study 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;
- non-binding, good faith estimated cost and time required to construct facilities required on Distribution Provider's Distribution System to accommodate the interconnection of the {generating facilities} to the distribution system of the host distribution provider; and
- description of how such facilities will address the identified short circuit, instability, and power flow issues.

6.0 Affected System Interconnection Customers shall each provide a deposit of _____ for performance of the Affected System Study. Upon receipt of the results of the Affected System Study by the Affected System Interconnection Customers, Distribution Provider shall charge, and Affected System Interconnection Customers shall pay, the actual cost of the Affected System Study. Any difference between the deposit and the actual cost of the Affected System Study shall be paid by or refunded to Affected System Interconnection Customers, as appropriate, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations.

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

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed

by their duly authorized officers or agents on the day and year first above written.

{Insert name of Distribution Provider}

By: _____ By: _____
Title: _____ Title: _____
Date: _____ Date: _____

{Insert name of Affected System Interconnection Customer}

By: _____
Title: _____
Date: _____

Project No. ____

{Insert name of Affected System Interconnection Customer}

By: _____
Title: _____
Date: _____

Project No. ____

Attachment 10 to the WDT GISP
Multiparty Affected System Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE MULTIPARTY AFFECTED SYSTEM STUDY

The Affected System Study will be based upon the following assumptions:
{Assumptions to be completed by Affected System Interconnection Customers and Distribution Provider}

ATTACHMENT 11 to GISP

TWO-PARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

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

RECITALS

WHEREAS, Affected System Interconnection Customer is proposing to develop a {description of generating facility or generating capacity addition to an existing generating facility} consistent with the interconnection request submitted by Affected System Interconnection Customer to {name of host distribution provider}, dated _____, for which {name of host distribution provider} found impacts on Distribution Provider's Distribution System; and

WHEREAS, Affected System Interconnection Customer desires to interconnect the {generating facility} to {name of host distribution provider}'s distribution system; and

WHEREAS, additions, modifications, and upgrade(s) must be made to certain existing facilities of Distribution Provider's Distribution System to accommodate such interconnection; and

WHEREAS, Affected System Interconnection Customer has requested, and Distribution Provider has agreed, to enter into this Agreement for the purpose of facilitating the construction of necessary Affected System Network Upgrade(s);

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

ARTICLE 1
DEFINITIONS

When used in this Agreement, with initial capitalization, the terms specified and not otherwise defined in this Agreement shall have the meanings indicated in this LGIP.

ARTICLE 2
TERM OF AGREEMENT

2.1 Effective Date. This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC.

2.2 Term.

2.2.1 General. This Agreement shall become effective as provided in Article 2.1 and shall continue in full force and effect until the earlier of (1) the final repayment, where applicable, by Distribution Provider of the amount funded by Affected System Interconnection Customer for Distribution Provider's design, procurement, construction and installation of the Affected System Network Upgrade(s) provided in Appendix A; (2) the Parties agree to mutually terminate this Agreement; (3) earlier termination is permitted or provided for under Appendix A of this Agreement; or (4) Affected System Interconnection Customer terminates this Agreement after providing Distribution Provider with written notice at least sixty (60) Calendar Days prior to the proposed termination date, provided that Affected System Interconnection Customer has no outstanding contractual obligations to Distribution Provider under this Agreement. No termination of this Agreement shall be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if (1) the commercial operation date for the {generating facility} is adjusted in accordance with the rules and procedures established by {name of host distribution provider} or (2) the in-service date for the Affected System Network Upgrade(s) is adjusted in accordance with the rules and procedures established by Distribution Provider.

2.2.2 Termination Upon Default. Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 5 of this Agreement where Breach and Breaching Party are defined in Article 5. Defaulting Party shall mean the Party that is in Default. In the event of a Default by a Party, the non-Defaulting Party shall have the termination rights described in Articles 5 and 6; provided, however, Distribution Provider may not terminate this Agreement if Affected System Interconnection Customer is the Defaulting Party and compensates Distribution Provider within thirty (30) Calendar Days for the amount of damages billed to Affected System Interconnection Customer by Distribution Provider for any such damages, including costs and expenses, incurred by Distribution Provider as a result of such Default.

2.2.3 Consequences of Termination. In the event of a termination by either Party, other than a termination by Affected System Interconnection Customer due to a Default by Distribution Provider, Affected System Interconnection Customer shall be responsible for the payment to Distribution Provider of all amounts then due and payable for construction and installation of the Affected System Network Upgrade(s) (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by Distribution Provider in connection with the construction and installation of the Affected System Network Upgrade(s), through the date of termination, and, in the event of the termination of the entire Agreement, any actual costs which Distribution Provider reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of Distribution Provider's Distribution System. Distribution Provider shall use Reasonable Efforts to minimize such costs.

2.2.4 Reservation of Rights. Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions,

charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Affected System Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

2.3 Filing. Distribution Provider shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Affected System Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 8. If Affected System Interconnection Customer has executed this Agreement, or any amendment thereto, Affected System Interconnection Customer shall reasonably cooperate with Distribution Provider with respect to such filing and to provide any information reasonably requested by Distribution Provider needed to comply with applicable regulatory requirements.

2.4 Survival. This Agreement 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 Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this Agreement or other applicable agreements, to disconnect, remove, or salvage its own facilities and equipment.

2.5 Termination Obligations. Upon any termination pursuant to this Agreement, Affected System Interconnection Customer shall be responsible for the payment of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, and costs of removal and site restoration.

ARTICLE 3
CONSTRUCTION OF AFFECTED SYSTEM NETWORK UPGRADE(S)

3.1 Construction.

3.1.1 Distribution Provider Obligations. Distribution Provider shall (or shall cause such action to) design, procure, construct, and install, and Affected System Interconnection Customer shall pay, consistent with Article 3.2, the costs of all Affected System Network Upgrade(s) identified in Appendix A. All Affected System Network Upgrade(s) designed, procured, constructed, and installed by Distribution Provider pursuant to this Agreement shall satisfy all requirements of applicable safety and/or engineering codes and comply with Good Utility Practice, and further, shall satisfy all Applicable Laws and Regulations. Distribution 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, or any Applicable Laws and Regulations.

3.1.2 Suspension of Work.

3.1.2.1 Right to Suspend. Affected System Interconnection Customer must provide to Distribution Provider written notice of its request for suspension. Only the milestones described in the Appendices of this Agreement are subject to suspension under this Article 3.1.2. Affected System Network Upgrade(s) will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Affected System Network Upgrade(s) are not needed by any other Interconnection Customer; or (3) Distribution Provider determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to Distribution Provider under Article 4.1 of this Agreement shall be released by Distribution Provider upon the determination by Distribution Provider that the Affected System Network Upgrade(s) will no longer be constructed. If suspension occurs, Affected System Interconnection Customer shall be responsible for the costs which Distribution Provider incurs (i) in accordance with this Agreement prior to the suspension; (ii) 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 Distribution Provider's Distribution System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Distribution Provider cannot reasonably avoid; and (iii) reasonably incurs in winding up work and construction demobilization; provided, however, that, prior to canceling any such contracts or orders, Distribution Provider shall obtain Affected System Interconnection Customer's authorization. Affected System Interconnection Customer shall be responsible for all costs incurred in connection with Affected System Interconnection Customer's failure to authorize cancellation of such contracts or orders.

Interest on amounts paid by Affected System Interconnection Customer to Distribution Provider for the design, procurement, construction, and installation of the Affected System Network Upgrade(s) shall not accrue during periods in which Affected System Interconnection Customer has suspended construction under this Article 3.1.2.

Distribution Provider shall invoice Affected System Interconnection Customer pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customer suspends work by Affected System Distribution Provider required under this Agreement pursuant to this Article 3.1.2.1, and has not requested Affected System Distribution Provider to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement 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 Affected System Distribution Provider, whichever is earlier, if no effective date of suspension is specified.

3.1.2.2 Recommencing of Work. If Affected System Interconnection Customer requests that Distribution Provider recommence construction of Affected System Network Upgrade(s), Distribution Provider shall have no obligation to afford such work the priority it would have had

but for the prior actions of Affected System Interconnection Customer to suspend the work. In such event, Affected System Interconnection Customer shall be responsible for any costs incurred in recommencing the work. All recommenced work shall be completed pursuant to an amended schedule for the interconnection agreed to by the Parties. Distribution Provider has the right to conduct a restudy of the Affected System Study if conditions have materially changed subsequent to the request to suspend. Affected System Interconnection Customer shall be responsible for the costs of any studies or restudies required.

3.1.2.3 Right to Suspend Due to Default. Distribution Provider reserves the right, upon written notice to Affected System Interconnection Customer, to suspend, at any time, work by Distribution Provider due to Default by Affected System Interconnection Customer. Affected System Interconnection Customer shall be responsible for any additional expenses incurred by Distribution Provider associated with the construction and installation of the Affected System Network Upgrade(s) (as set forth in Article 2.2.3) upon the occurrence of either a Breach that Affected System Interconnection Customer is unable to cure-pursuant to Article 5 or a Default pursuant to Article 5. Any form of suspension by Distribution Provider shall not be barred by Articles 2.2.2, 2.2.3, or 5.2.2, nor shall it affect Distribution Provider's right to terminate the work or this Agreement pursuant to Article 6.

3.1.3 Construction Status. Distribution Provider shall keep Affected System Interconnection Customer advised periodically as to the progress of its design, procurement and construction efforts, as described in Appendix A. Affected System Interconnection Customer may, at any time and reasonably, request a progress report from Distribution Provider. If, at any time, Affected System Interconnection Customer determines that the completion of the Affected System Network Upgrade(s) will not be required until after the specified in-service date, Affected System Interconnection Customer will provide written notice to Distribution Provider of such later date upon which the completion of the Affected System Network Upgrade(s) would be required. Distribution Provider may delay the in-service date of the Affected System Network Upgrade(s) accordingly.

3.1.4 Timely Completion. Distribution Provider shall use Reasonable Efforts to design, procure, construct, install, and test the Affected System Network Upgrade(s) in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time or ability to complete the Affected System Network Upgrade(s), Distribution Provider shall promptly notify Affected System Interconnection Customer. In such circumstances, Distribution Provider shall, within fifteen (15) Calendar Days of such notice, convene a meeting with Affected System Interconnection Customer to evaluate the alternatives available to Affected System Interconnection Customer. Distribution Provider shall also make available to Affected System Interconnection Customer all studies and work papers related to the event and corresponding delay, including all information that is in the possession of Distribution Provider that is reasonably needed by Affected System Interconnection Customer to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. Distribution Provider shall, at Affected System Interconnection Customer's request and expense, use Reasonable Efforts to accelerate its work under this Agreement to meet the schedule set forth in Appendix A, provided that (1) Affected System Interconnection Customer authorizes such actions, such authorization to

be withheld, conditioned, or delayed by Affected System Interconnection Customer only if it can demonstrate that the acceleration would have a material adverse effect on it; and (2) the Affected System Interconnection Customer funds costs associated therewith in advance.

3.2 Interconnection Costs.

3.2.1 Costs. Affected System Interconnection Customer shall pay to Distribution Provider costs (including taxes and financing costs) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Affected System Network Upgrade(s), as identified in Appendix A, in accordance with the cost recovery method provided herein. Unless Distribution Provider elects to fund the Affected System Network Upgrade(s), they shall be initially funded by Affected System Interconnection Customer.

3.2.1.1 Lands of Other Property Owners. If any part of the Affected System Network Upgrade(s) is to be installed on property owned by persons other than Affected System Interconnection Customer or Distribution Provider, Distribution Provider shall, at Affected System 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 to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, 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 the Affected System Network Upgrade(s) upon such property.

3.2.2 Repayment.

3.2.2.1 Repayment. Consistent with Articles 11.4.1 and 11.4.2 of the Distribution Provider's pro forma LGIA, Affected System Interconnection Customer shall be entitled to a cash repayment by Distribution Provider of the amount paid to Distribution Provider, if any, for the Affected System Network Upgrade(s), including any tax gross-up or other tax-related payments associated with the Affected System Network Upgrade(s), and not refunded to Affected System Interconnection Customer pursuant to Article 3.3.1 or otherwise. The Parties may mutually agree to a repayment schedule, to be outlined in Appendix A, not to exceed twenty (20) years from the commercial operation date, for the complete repayment for all applicable costs associated with the Affected System Network Upgrade(s). Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR 35.19 a(a)(2)(iii) from the date of any payment for Affected System Network Upgrade(s) through the date on which Affected System Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interest shall not accrue during periods in which Affected System Interconnection Customer has suspended construction pursuant to Article 3.1.2. Affected System Interconnection Customer may assign such repayment rights to any person.

3.2.2.2 Impact of Failure to Achieve Commercial Operation. If the Affected System Interconnection Customer's generating facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Affected System Network Upgrade(s), Distribution Provider shall at that time reimburse Affected System Interconnection

Customer for the amounts advanced for the Affected System Network Upgrade(s). Before any such reimbursement can occur, Affected System Interconnection Customer (or the entity that ultimately constructs the generating facility, if different), is responsible for identifying the entity to which the reimbursement must be made.

3.3 Taxes.

3.3.1 Indemnification for Contributions in Aid of Construction. With regard only to payments made by Affected System Interconnection Customer to Distribution Provider for the installation of the Affected System Network Upgrade(s), Distribution Provider shall not include a gross-up for income taxes in the amounts it charges Affected System Interconnection Customer for the installation of the Affected System Network Upgrade(s) unless (1) Distribution Provider has determined, in good faith, that the payments or property transfers made by Affected System Interconnection Customer to Distribution Provider should be reported as income subject to taxation, or (2) any Governmental Authority directs Distribution Provider to report payments or property as income subject to taxation. Affected System Interconnection Customer shall reimburse Distribution Provider for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from Distribution 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 (10)-year testing period and the applicable statute of limitation, as it may be extended by Distribution Provider upon request of the Internal Revenue Service, 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. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by Distribution Provider is determined by any Governmental Authority to constitute income by Distribution Provider subject to taxation, Affected System Interconnection Customer shall protect, indemnify, and hold harmless Distribution Provider and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, Distribution Provider shall provide Affected System Interconnection Customer with written notification within thirty (30) Calendar Days of such determination and notification. Distribution Provider, upon the timely written request by Affected System Interconnection Customer and at Affected System Interconnection Customer's expense, shall appeal, protest, seek abatement of, or otherwise oppose such determination. Distribution Provider reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that Distribution Provider shall cooperate and consult in good faith with Affected System Interconnection Customer regarding the conduct of such contest. Affected System Interconnection Customer shall not be required to pay Distribution Provider for the tax, interest, and/or penalties prior to the seventh (7th) Calendar Day before the date on which Distribution Provider (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or

penalties as a prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that Distribution Provider is not liable for any portion of any tax, interest, and/or penalties for which Affected System Interconnection Customer has already made payment to Distribution Provider, Distribution Provider shall promptly refund to Affected System Interconnection Customer any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments Distribution Provider receives or which Distribution Provider may be entitled with respect to such payment. Affected System Interconnection Customer shall provide Distribution Provider with credit assurances sufficient to meet Affected System Interconnection Customer's estimated liability for reimbursement of Distribution Provider for taxes, interest, and/or penalties under this Article 3.3.1. Such estimated liability shall be stated in Appendix A.

To the extent that Distribution Provider is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: Distribution Provider represents, and the Parties acknowledge, that Distribution Provider is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Affected System Interconnection Customer to Distribution Provider for Affected System Network Upgrade(s) is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by Affected System Interconnection Customer to Distribution Provider for Affected System Network Upgrade(s) will be reimbursed to Affected System Interconnection Customer in accordance with the terms of this Agreement, provided Affected System Interconnection Customer fulfills its obligations under this Agreement.

3.3.2 Private Letter Ruling. At Affected System Interconnection Customer's request and expense, Distribution Provider shall file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Affected System Interconnection Customer to Distribution Provider under this Agreement are subject to federal income taxation. Affected System 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 Affected System Interconnection Customer's knowledge. Distribution Provider and Affected System Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

3.3.3 Other Taxes. Upon the timely request by Affected System Interconnection Customer, and at Affected System Interconnection Customer's sole expense, Distribution Provider shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Distribution Provider for which Affected System Interconnection Customer may be required to reimburse Distribution Provider under the terms of this Agreement. Affected System Interconnection Customer shall pay to Distribution Provider on a periodic basis, as invoiced by Distribution Provider, Distribution Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Affected System Interconnection Customer and Distribution 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 Affected System Interconnection Customer to Distribution 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, Affected System Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Distribution Provider. Each Party shall cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

ARTICLE 4
SECURITY, BILLING, AND PAYMENTS

4.1 Provision of Security. By the earlier of (1) thirty (30) Calendar Days prior to the due date for Affected System Interconnection Customer's first payment under the payment schedule specified in Appendix A, or (2) the first date specified in Appendix A for the ordering of equipment by Distribution Provider for installing the Affected System Network Upgrade(s), Affected System Interconnection Customer shall provide Distribution Provider, at Affected System Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Distribution Provider. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring, and installing the applicable portion of Affected System Network Upgrade(s) and shall be reduced on a dollar-for-dollar basis for payments made to Distribution Provider for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of Distribution Provider and contain terms and conditions that guarantee payment of any amount that may be due from Affected System Interconnection Customer, up to an agreed-to maximum amount. The letter of credit must be issued by a financial institution reasonably acceptable to Distribution Provider and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to Distribution Provider and must specify a reasonable expiration date.

4.2 Invoice. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due, if any, 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 Agreement, including interest payments, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

4.3 Payment. Invoices shall be rendered to the paying Party at the address specified by the Parties. 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 a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

4.4 Final Invoice. Within six (6) months after completion of the construction of the Affected System Network Upgrade(s), Distribution Provider shall provide an invoice of the final cost of the construction of the Affected System Network Upgrade(s) and shall set forth such costs in sufficient detail to enable Affected System Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Distribution Provider shall refund, with interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)), to Affected System Interconnection Customer any amount by which the actual payment by Affected System Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

4.5 Interest. Interest on any unpaid amounts shall be calculated in accordance with 18 CFR 35.19a(a)(2)(iii).

4.6 Payment During Dispute. In the event of a billing dispute among the Parties, Distribution Provider shall continue to construct the Affected System Network Upgrade(s) under this Agreement as long as Affected System Interconnection Customer: (1) continues to make all payments not in dispute; and (2) pays to Distribution Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Affected System Interconnection Customer fails to meet these two requirements, then Distribution Provider may provide notice to Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

ARTICLE 5
BREACH, CURE AND DEFAULT

5.1 Events of Breach. A Breach of this Agreement shall include the:

(a) Failure to pay any amount when due;

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

(c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or

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

5.2 Definition. Breaching Party shall mean the Party that is in Breach**.**

5.3 Notice of Breach, Cure, and Default. Upon the occurrence of an event of Breach, the Party not in Breach, when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

5.3.1 Upon receiving written notice of the Breach hereunder, the Breaching Party shall have a period to cure such Breach (hereinafter referred to as the "Cure Period") which shall be sixty (60) Calendar Days.

5.3.2 In the event the Breaching Party fails to cure within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non--Defaulting Party may terminate this Agreement in accordance with Article 6.2 of this Agreement or take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

5.4 Rights in the Event of Default. Notwithstanding the foregoing, upon the occurrence of a Default, the non-Defaulting Party shall be entitled to exercise all rights and remedies it may have in equity or at law.

ARTICLE 6
TERMINATION OF AGREEMENT

6.1 Expiration of Term. Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement shall terminate at the conclusion of the term of this Agreement.

6.2 Termination. In addition to the termination provisions set forth in Article 2.2, a Party may terminate this Agreement upon the Default of the other Party in accordance with Article 5.2.2 of this Agreement. Subject to the limitations set forth in Article 6.3, in the event of a Default, the termination of this Agreement by the non-Defaulting Party shall require a filing at FERC of a notice of termination, which filing must be accepted for filing by FERC.

6.3 Disposition of Facilities Upon Termination of Agreement.

6.3.1 Distribution Provider Obligations. Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, Distribution Provider:

(a) shall, prior to the construction and installation of any portion of the Affected System Network Upgrade(s) and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Affected System Network Upgrade(s);

(b) may keep in place any portion of the Affected System Network Upgrade(s) already constructed and installed; and,

(c) shall perform such work as may be necessary to ensure the safety of persons and property

and to preserve the integrity of Distribution Provider's Distribution System (e.g., construction demobilization to return the system to its original state, wind-up work).

6.3.2 Affected System Interconnection Customer Obligations. Upon billing by Distribution Provider, Affected System Interconnection Customer shall reimburse Distribution Provider for any costs incurred by Distribution Provider in performance of the actions required or permitted by Article 6.3.1 and for the cost of any Affected System Network Upgrade(s) described in Appendix A. Distribution Provider shall use Reasonable Efforts to minimize costs and shall offset the amounts owed by any salvage value of facilities, if applicable. Affected System Interconnection Customer shall pay these costs pursuant to Article 4.3 of this Agreement.

6.3.3 Pre-construction or Installation. Upon termination of this Agreement and prior to the construction and installation of any portion of the Affected System Network Upgrade(s), Distribution Provider may, at its option, retain any portion of such Affected System Network Upgrade(s) not cancelled or returned in accordance with Article 6.3.1(a), in which case Distribution Provider shall be responsible for all costs associated with procuring such Affected System Network Upgrade(s). To the extent that Affected System Interconnection Customer has already paid Distribution Provider for any or all of such costs, Distribution Provider shall refund Affected System Interconnection Customer for those payments. If Distribution Provider elects to not retain any portion of such facilities, Distribution Provider shall convey and make available to Affected System Interconnection Customer such facilities as soon as practicable after Affected System Interconnection Customer's payment for such facilities.

6.4 Survival of Rights. Termination or expiration of this Agreement shall not relieve either Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof to the extent necessary to provide for (1) final billings, billing adjustments, and other billing procedures set forth in this Agreement; (2) the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (3) the confidentiality provisions set forth in Article 8.

ARTICLE 7
SUBCONTRACTORS

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

7.1.1 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the provisions of this Agreement, each Party shall be fully responsible to the other Party for the acts

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

7.1.2 No Third-Party Beneficiary. Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

7.1.3 No Limitation by Insurance. The obligations under this Article 7 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

ARTICLE 8
CONFIDENTIALITY

8.1 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 to the other Party prior to the execution of this Agreement.

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. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 CFR 388.113(c).

Such confidentiality will be maintained in accordance with this Article 8. If requested by the receiving Party, the disclosing 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.

8.1.1 Term. During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 8 or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with FERC policies and regulations.

8.1.2 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 non-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 Agreement; or (6) is required, in accordance with Article 8.1.6 of this Agreement, 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 Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

8.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties that may be or are considering providing financing to or equity participation with Affected System Interconnection Customer, or to potential purchasers or assignees of Affected System Interconnection Customer, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 8 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 8.

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

8.1.5 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 this Agreement or its regulatory requirements.

8.1.6 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 disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. 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.

8.1.7 Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) Business 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 requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party

may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 shall survive such termination.

8.1.8 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 8. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 8, which equitable relief shall be granted without bond or proof of damages, and the breaching 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 8, but it 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. Neither 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 8.

8.1.9 Disclosure to FERC, its Staff, or a State Regulatory Body. Notwithstanding anything in this Article 8 to the contrary, and pursuant to 18 CFR 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, 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 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 Agreement prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the Agreement 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 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.

8.1.10 Subject to the exception in Article 8.1.9, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (1) required by law; (2) 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; (3) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (4) necessary to fulfill its obligations under this Agreement or as the Distribution Provider or a balancing authority, including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party that received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing

and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order, or other reasonable measures.

ARTICLE 9
INFORMATION ACCESS AND AUDIT RIGHTS

9.1 Information Access. Each Party shall make available to the other Party information necessary to verify the costs incurred by the other Party for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties shall not use such information for purposes other than those set forth in this Article 9.1 and to enforce their rights under this Agreement.

9.2 Audit Rights. Subject to the requirements of confidentiality under Article 8 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Affected System Network Upgrade(s) shall be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following Distribution Provider's issuance of a final invoice in accordance with Article 4.4. Affected System Interconnection Customer at its expense shall have the right, during normal business hours, and upon prior reasonable notice to Distribution Provider, to audit such accounts and records. Any audit authorized by this Article 9.2 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 obligations under this Agreement.

ARTICLE 10
NOTICES

10.1 General. Any notice, demand, or request required or permitted to be given by a Party to the other Party, and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party, may be so given, tendered, or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To Distribution Provider:

To Affected System Interconnection Customer:

10.2 Billings and Payments. Billings and payments shall be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

10.3 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other Party 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 below:

To Distribution Provider:

To Affected System Interconnection Customer:

10.4 Execution and Filing. Affected System Interconnection Customer shall either: (i) execute two originals of this tendered Agreement and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC this Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of this tendered Agreement (if it does not conform with a FERC-approved standard form of this Agreement) or the request to file this Agreement unexecuted, Distribution Provider shall file this Agreement with FERC, together with its explanation of any matters as to which Affected System Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Affected System Interconnection Customer under this Agreement. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by Distribution Provider for the Affected System Interconnection Customer's generating facility. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted version of this Agreement, they may proceed pending FERC action.

ARTICLE 11
MISCELLANEOUS

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

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original Agreement among the Parties.

Distribution Provider
{Distribution Provider}
By: _____
Name: _____
Title: _____

Affected System Interconnection Customer
{Affected System Interconnection Customer}
By: _____
Name: _____
Title: _____

Project No. ____

Appendix A to Appendix 11
Two-Party Affected System Facilities Construction Agreement

AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND RESPONSIBILITY, CONSTRUCTION SCHEDULE AND MONTHLY PAYMENT SCHEDULE

This Appendix A is a part of the Affected System Facilities Construction Agreement between Affected System Interconnection Customer and Distribution Provider.

1.1 Affected System Network Upgrade(s) to be installed by Distribution Provider.

{description}

1.2 First Equipment Order (including permitting).

{description}

1.2.1. Permitting and Land Rights – Distribution Provider Affected System Network Upgrade(s)

{description}

1.3 Construction Schedule. Where applicable, construction of the Affected System Network Upgrade(s) is scheduled as follows and will be periodically updated as necessary:

Table 1: Distribution Provider Construction Activities

MILESTONE NUMBER	DESCRIPTION	START DATE	END DATE

Note: Construction schedule assumes that Distribution Provider has obtained final authorizations and security from Affected System Interconnection Customer and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Affected System Network Upgrade(s).

1.4 Payment Schedule.

1.4.1 Timing of and Adjustments to Affected System Interconnection Customer's Payments and Security.

{description}

1.4.2 Monthly Payment Schedule. Affected System Interconnection Customer's payment schedule is as follows.

{description}

Table 2: Affected System Interconnection Customer's Payment/Security Obligations for Affected System Network Upgrade(s).

MILESTONE NUMBER	DESCRIPTION	DATE

Note: Affected System Interconnection Customer's payment or provision of security as provided in this Agreement operates as a condition precedent to Distribution Provider's obligations to construct any Affected System Network Upgrade(s), and failure to meet this schedule will constitute a Breach pursuant to Article 5.1 of this Agreement.

1.5 Permits, Licenses, and Authorizations.

{description}

Appendix B to Attachment 11
Two-Party Affected System Facilities Construction Agreement

NOTIFICATION OF COMPLETED CONSTRUCTION

This Appendix B is a part of the Affected Systems Facilities Construction Agreement between Affected System Interconnection Customer and Distribution Provider. Where applicable, when Distribution Provider has completed construction of the Affected System Network Upgrade(s), Distribution Provider shall send notice to Affected System Interconnection Customer in substantially the form following:

{Date}

{Affected System Interconnection Customer Address}

Re: Completion of Affected System Network Upgrade(s)

Dear {Name or Title}:

This letter is sent pursuant to the Affected System Facilities Construction Agreement between {Distribution Provider} and {Affected System Interconnection Customer}, dated _____, 20___.

On {Date}, Distribution Provider completed to its satisfaction all work on the Affected System Network Upgrade(s) required to facilitate the safe and reliable interconnection and operation of Affected System Interconnection Customer's {description of generating facility}. Distribution Provider confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}
{Distribution Provider Representative}

Appendix C to Attachment 11
Two-Party Affected System Facilities Construction Agreement

EXHIBITS

This Appendix C is a part of the Affected System Facilities Construction Agreement among Affected System Interconnection Customer and Distribution Provider.

Exhibit A1
Distribution Provider Site Map

Exhibit A2
Site Plan

Exhibit A3
Affected System Network Upgrade(s) Plan & Profile

Exhibit A4
Estimated Cost of Affected System Network Upgrade(s)

	Location	Facilities to Be Constructed by Distribution Provider	Estimate in Dollars
		Total:	

ATTACHMENT 12 to GISP

MULTIPARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__, by and among _____, organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); _____, a _____ organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); and_____, an entity organized under the laws of the State of _____ (Distribution Provider). Affected System Interconnection Customers and Distribution Provider each may be referred to as a "Party" or collectively as the "Parties." When it is not important to differentiate among them, Affected System Interconnection Customers each may be referred to as "Affected System Interconnection Customer" or collectively as "Affected System Interconnection Customers."

RECITALS

WHEREAS, Affected System Interconnection Customers are proposing to develop {description of generating facilities or generating capacity additions to an existing generating facility}, consistent with the interconnection requests submitted by Affected System Interconnection Customers to {name of host distribution provider}, dated _____, for which {name of host distribution provider} found impacts on Distribution Provider's Distribution System; and

WHEREAS, Affected System Interconnection Customers desire to interconnect the {generating facilities} to {name of host distribution provider}'s distribution system; and

WHEREAS, additions, modifications, and upgrade(s) must be made to certain existing facilities of Distribution Provider's Distribution System to accommodate such interconnection; and

WHEREAS, Affected System Interconnection Customers have requested, and Distribution Provider has agreed, to enter into this Agreement for the purpose of facilitating the construction of necessary Affected System Network Upgrade(s);

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

ARTICLE 1
DEFINITIONS

When used in this Agreement, with initial capitalization, the terms specified and not otherwise defined in this Agreement shall have the meanings indicated in this LGIP.

ARTICLE 2
TERM OF AGREEMENT

2.1 Effective Date. This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC.

2.2 Term.

2.2.1 General. This Agreement shall become effective as provided in Article 2.1 and shall continue in full force and effect until the earlier of (1) the final repayment, where applicable, by Distribution Provider of the amount funded by Affected System Interconnection Customers for Distribution Provider's design, procurement, construction, and installation of the Affected System Network Upgrade(s) provided in Appendix A; (2) the Parties agree to mutually terminate this Agreement; (3) earlier termination is permitted or provided for under Appendix A of this Agreement; or (4) Affected System Interconnection Customers terminate this Agreement after providing Distribution Provider with written notice at least sixty (60) Calendar Days prior to the proposed termination date, provided that Affected System Interconnection Customers have no outstanding contractual obligations to Distribution Provider under this Agreement. No termination of this Agreement shall be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if the commercial operation date(s) for the {generating facilities} is adjusted in accordance with the rules and procedures established by {name of host distribution provider} or the in-service date for the Affected System Network Upgrade(s) is adjusted in accordance with the rules and procedures established by Distribution Provider.

2.2.2 Termination Upon Default. Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 5 of this Agreement where Breach and Breaching Party are defined in Article 5. Defaulting Party shall mean the Party that is in Default. In the event of a Default by a Party, each non-Defaulting Party shall have the termination rights described in Articles 5 and 6; provided, however, Distribution Provider may not terminate this Agreement if an Affected System Interconnection Customer is the Defaulting Party and compensates Distribution Provider within thirty (30) Calendar Days for the amount of damages billed to Affected System Interconnection Customer(s) by Distribution Provider for any such damages, including costs and expenses incurred by Distribution Provider as a result of such Default. Notwithstanding the foregoing, Default by one or more Affected System Interconnection Customers shall not provide the other Affected System Interconnection Customer(s), either individually or in concert, with the right to terminate the entire Agreement. The non-Defaulting Party/Parties may, individually or in concert, initiate the removal of an Affected System Interconnection Customer that is a Defaulting Party from this Agreement. Distribution Provider shall not terminate this Agreement or the participation of any Affected System Interconnection Customer without provision being made for Distribution Provider to be fully reimbursed for all of its costs incurred under this Agreement.

2.2.3 Consequences of Termination. In the event of a termination by a Party, other than a

termination by Affected System Interconnection Customer(s) due to a Default by Distribution Provider, each Affected System Interconnection Customer whose participation in this Agreement is terminated shall be responsible for the payment to Distribution Provider of all amounts then due and payable for construction and installation of the Affected System Network Upgrade(s) (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by Distribution Provider in connection with the construction and installation of the Affected System Network Upgrade(s), through the date of termination, and, in the event of the termination of the entire Agreement, any actual costs which Distribution Provider reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of Distribution Provider's Distribution System. Distribution Provider shall use Reasonable Efforts to minimize such costs. The cost responsibility of other Affected System Interconnection Customers shall be adjusted, as necessary, based on the payments by an Affected System Interconnection Customer that is terminated from the Agreement.

2.2.4 Reservation of Rights. Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Affected System Interconnection Customers shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

2.3 Filing. Distribution Provider shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Affected System Interconnection Customers may request that any information so provided be subject to the confidentiality provisions of Article 8. Each Affected System Interconnection Customer that has executed this Agreement, or any amendment thereto, shall reasonably cooperate with Distribution Provider with respect to such filing and to provide any information reasonably requested by Distribution Provider needed to comply with applicable regulatory requirements.

2.4 Survival. This Agreement 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 Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this Agreement or other applicable agreements, to disconnect, remove, or salvage its own facilities and equipment.

2.5 Termination Obligations. Upon any termination pursuant to this Agreement or termination of the participation in this Agreement of an Affected System Interconnection

Customer, each Affected System Interconnection Customer shall be responsible for the payment of its proportionate share of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, and costs of removal and site restoration. The cost responsibility of the other Affected System Interconnection Customers shall be adjusted as necessary.

ARTICLE 3
CONSTRUCTION OF AFFECTED SYSTEM NETWORK UPGRADE(S)

3.1 Construction.

3.1.1 Distribution Provider Obligations. Distribution Provider shall (or shall cause such action to) design, procure, construct, and install, and Affected System Interconnection Customers shall pay, consistent with Article 3.2, the costs of all Affected System Network Upgrade(s) identified in Appendix A. All Affected System Network Upgrade(s) designed, procured, constructed, and installed by Distribution Provider pursuant to this Agreement shall satisfy all requirements of applicable safety and/or engineering codes and comply with Good Utility Practice, and further, shall satisfy all Applicable Laws and Regulations. Distribution 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, or any Applicable Laws and Regulations.

3.1.2 Suspension of Work.

3.1.2.1 Right to Suspend. Affected System Interconnection Customers must jointly provide to Distribution Provider written notice of their request for suspension. Only the milestones described in the Appendices of this Agreement are subject to suspension under this Article 3.1.2. Affected System Network Upgrade(s) will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Affected System Network Upgrade(s) are not needed by any other Interconnection Customer; or (3) Distribution Provider determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to Distribution Provider under Article 4.1 of this Agreement shall be released by Distribution Provider upon the determination by Distribution Provider that the Affected System Network Upgrade(s) will no longer be constructed. If suspension occurs, Affected System Interconnection Customers shall be responsible for the costs which Distribution Provider incurs (i) in accordance with this Agreement prior to the suspension; (ii) 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 Distribution Provider's Distribution System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Distribution Provider cannot reasonably avoid; and (iii) reasonably incurs in winding up work and construction demobilization; provided, however, that, prior to canceling any such contracts or orders, Distribution Provider shall obtain Affected System Interconnection Customers' authorization. Affected System Interconnection Customers shall be responsible for all costs incurred in connection with Affected System Interconnection Customers' failure to authorize cancellation of

such contracts or orders.

Interest on amounts paid by Affected System Interconnection Customers to Distribution Provider for the design, procurement, construction, and installation of the Affected System Network Upgrade(s) shall not accrue during periods in which Affected System Interconnection Customers have suspended construction under this Article 3.1.2.

Distribution Provider shall invoice Affected System Interconnection Customers pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customers suspend work by Affected System Distribution Provider required under this Agreement pursuant to this Article 3.1.2.1 and have not requested Affected System Distribution Provider to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement 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 Affected System Distribution Provider, whichever is earlier, if no effective date of suspension is specified.

3.1.2.2 Recommencing of Work. If Affected System Interconnection Customers request that Distribution Provider recommence construction of Affected System Network Upgrade(s), Distribution Provider shall have no obligation to afford such work the priority it would have had but for the prior actions of Affected System Interconnection Customers to suspend the work. In such event, Affected System Interconnection Customers shall be responsible for any costs incurred in recommencing the work. All recommenced work shall be completed pursuant to an amended schedule for the interconnection agreed to by the Parties. Distribution Provider has the right to conduct a restudy of the Affected System Study if conditions have materially changed subsequent to the request to suspend. Affected System Interconnection Customers shall be responsible for the costs of any studies or restudies required.

3.1.2.3 Right to Suspend Due to Default. Distribution Provider reserves the right, upon written notice to Affected System Interconnection Customers, to suspend, at any time, work by Distribution Provider due to a Default by Affected System Interconnection Customer(s). Defaulting-Affected System Interconnection Customer(s) shall be responsible for any additional expenses incurred by Distribution Provider associated with the construction and installation of the Affected System Network Upgrade(s) (as set forth in Article 2.2.3) upon the occurrence of a Default pursuant to Article 5. Any form of suspension by Distribution Provider shall not be barred by Articles 2.2.2, 2.2.3, or 5.2.2, nor shall it affect Distribution Provider's right to terminate the work or this Agreement pursuant to Article 6.

3.1.3 Construction Status. Distribution Provider shall keep Affected System Interconnection Customers advised periodically as to the progress of its design, procurement, and construction efforts, as described in Appendix A. An Affected System Interconnection Customer may, at any time and reasonably, request a progress report from Distribution Provider. If, at any time, an Affected System Interconnection Customer determines that the completion of the Affected System Network Upgrade(s) will not be required until after the specified in-service date, such Affected System Interconnection Customer will provide written notice to all other Parties of such later date for which the completion of the Affected System Network Upgrade(s) would be

required. Distribution Provider may delay the in-service date of the Affected System Network Upgrade(s) accordingly, but only if agreed to by all other Affected System Interconnection Customers.

3.1.4 Timely Completion. Distribution Provider shall use Reasonable Efforts to design, procure, construct, install, and test the Affected System Network Upgrade(s) in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time or ability to complete the Affected System Network Upgrade(s), Distribution Provider shall promptly notify all other Parties. In such circumstances, Distribution Provider shall, within fifteen (15) Calendar Days of such notice, convene a meeting with Affected System Interconnection Customers to evaluate the alternatives available to Affected System Interconnection Customers. Distribution Provider shall also make available to Affected System Interconnection Customers all studies and work papers related to the event and corresponding delay, including all information that is in the possession of Distribution Provider that is reasonably needed by Affected System Interconnection Customers to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. Distribution Provider shall, at any Affected System Interconnection Customer's request and expense, use Reasonable Efforts to accelerate its work under this Agreement to meet the schedule set forth in Appendix A, provided that (1) Affected System Interconnection Customers jointly authorize such actions, such authorizations to be withheld, conditioned, or delayed by a given Affected System Interconnection Customer only if it can demonstrate that the acceleration would have a material adverse effect on it; and (2) the requesting Affected System Interconnection Customer(s) funds the costs associated therewith in advance, or all Affected System Interconnection Customers agree in advance to fund such costs based on such other allocation method as they may adopt.

3.2 Interconnection Costs.

3.2.1 Costs. Affected System Interconnection Customers shall pay to Distribution Provider costs (including taxes and financing costs) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Affected System Network Upgrade(s), as identified in Appendix A, in accordance with the cost recovery method provided herein. Except as expressly otherwise agreed, Affected System Interconnection Customers shall be collectively responsible for these costs, based on their proportionate share of cost responsibility, as provided in Appendix A. Unless Distribution Provider elects to fund the Affected System Network Upgrade(s), they shall be initially funded by the applicable Affected System Interconnection Customer.

3.2.1.1 Lands of Other Property Owners. If any part of the Affected System Network Upgrade(s) is to be installed on property owned by persons other than Affected System Interconnection Customers or Distribution Provider, Distribution Provider shall, at Affected System Interconnection Customers' 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 to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, 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 the Affected System Network Upgrade(s) upon such property.

3.2.2 Repayment.

3.2.2.1 Repayment. Consistent with articles 11.4.1 and 11.4.2 of the Distribution Provider's pro forma LGIA, each Affected System Interconnection Customer shall be entitled to a cash repayment by Distribution Provider of the amount each Affected System Interconnection Customer paid to Distribution Provider, if any, for the Affected System Network Upgrade(s), including any tax gross-up or other tax-related payments associated with the Affected System Network Upgrade(s), and not refunded to Affected System Interconnection Customer pursuant to Article 3.3.1 or otherwise. The Parties may mutually agree to a repayment schedule, to be outlined in Appendix A, not to exceed twenty (20) years from the commercial operation date, for the complete repayment for all applicable costs associated with the Affected System Network Upgrade(s). Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR 35.19 a(a)(2)(iii) from the date of any payment for Affected System Network Upgrade(s) through the date on which Affected System Interconnection Customers receive a repayment of such payment pursuant to this subparagraph. Interest shall not accrue during periods in which Affected System Interconnection Customers have suspended construction pursuant to Article 3.1.2.1. Affected System Interconnection Customers may assign such repayment rights to any person.

3.2.2.2 Impact of Failure to Achieve Commercial Operation. If an Affected System Interconnection Customer's generating facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Affected System Network Upgrade(s), Distribution Provider shall at that time reimburse such Affected System Interconnection Customers for the portion of the Affected System Network Upgrade(s) it funded. Before any such reimbursement can occur, Affected System Interconnection Customer (or the entity that ultimately constructs the generating facility, if different), is responsible for identifying the entity to which the reimbursement must be made.

3.3 Taxes.

3.3.1 Indemnification for Contributions in Aid of Construction. With regard only to payments made by Affected System Interconnection Customers to Distribution Provider for the installation of the Affected System Network Upgrade(s), Distribution Provider shall not include a gross-up for income taxes in the amounts it charges Affected System Interconnection Customers for the installation of the Affected System Network Upgrade(s) unless (1) Distribution Provider has determined, in good faith, that the payments or property transfers made by Affected System Interconnection Customers to Distribution Provider should be reported as income subject to taxation, or (2) any Governmental Authority directs Distribution Provider to report payments or property as income subject to taxation. Affected System Interconnection Customers shall reimburse Distribution Provider for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from Distribution 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 (10)-year testing period and the applicable statute of limitation, as it may be extended by Distribution Provider upon request of the Internal Revenue Service, 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. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by Distribution Provider is determined by any Governmental Authority to constitute income by Distribution Provider subject to taxation, Affected System Interconnection Customers shall protect, indemnify, and hold harmless Distribution Provider and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, Distribution Provider shall provide Affected System Interconnection Customers with written notification within thirty (30) Calendar Days of such determination and notification. Distribution Provider, upon the timely written request by any one or more Affected System Interconnection Customer(s) and at the expense of such Affected System Interconnection Customer(s), shall appeal, protest, seek abatement of, or otherwise oppose such determination. Distribution Provider reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that Distribution Provider shall cooperate and consult in good faith with the requesting Affected System Interconnection Customer(s) regarding the conduct of such contest. Affected System Interconnection Customer(s) shall not be required to pay Distribution Provider for the tax, interest, and/or penalties prior to the seventh (7th) Calendar Day before the date on which Distribution Provider (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that Distribution Provider is not liable for any portion of any tax, interest, and/or penalties for which any Affected System Interconnection Customer(s) has already made payment to Distribution Provider, Distribution Provider shall promptly refund to such Affected System Interconnection Customer(s) any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments Distribution Provider receives or to which Distribution Provider may be entitled with respect to such payment. Each Affected System Interconnection Customer shall provide Distribution Provider with credit assurances sufficient to meet each Affected System Interconnection Customer's estimated liability for reimbursement of Distribution Provider for taxes, interest, and/or penalties under this Article 3.3.1. Such estimated liability shall be stated in Appendix A.

To the extent that Distribution Provider is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: Distribution Provider represents, and the Parties acknowledge, that Distribution Provider is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Affected System Interconnection Customers to Distribution Provider for Affected System Network

Upgrade(s) is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by each Affected System Interconnection Customer to Distribution Provider for Affected System Network Upgrade(s) will be reimbursed to such Affected System Interconnection Customer in accordance with the terms of this Agreement, provided such Affected System Interconnection Customer fulfills its obligations under this Agreement.

3.3.2 Private Letter Ruling. At the request and expense of any Affected System Interconnection Customer(s), Distribution Provider shall file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by such Affected System Interconnection Customer(s) to Distribution Provider under this Agreement are subject to federal income taxation. Each Affected System Interconnection Customer desiring such a request 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 such Affected System Interconnection Customer's knowledge. Distribution Provider and such Affected System Interconnection Customer(s) shall cooperate in good faith with respect to the submission of such request.

3.3.3 Other Taxes. Upon the timely request by any one or more Affected System Interconnection Customer(s), and at such Affected System Interconnection Customer(s)' sole expense, Distribution Provider shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Distribution Provider for which such Affected System Interconnection Customer(s) may be required to reimburse Distribution Provider under the terms of this Agreement. Affected System Interconnection Customer(s) who requested the action shall pay to Distribution Provider on a periodic basis, as invoiced by Distribution Provider, Distribution Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. The requesting Affected System Interconnection Customer(s) and Distribution 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 Affected System Interconnection Customer(s) to Distribution 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, Affected System Interconnection Customer(s) will be responsible for all taxes, interest, and penalties, other than penalties attributable to any delay caused by Distribution Provider. Each Party shall cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

ARTICLE 4
SECURITY, BILLING, AND PAYMENTS

4.1 Provision of Security. By the earlier of (1) thirty (30) Calendar Days prior to the due date for each Affected System Interconnection Customer's first payment under the payment schedule specified in Appendix A, or (2) the first date specified in Appendix A for the ordering

of equipment by Distribution Provider for installing the Affected System Network Upgrade(s), each Affected System Interconnection Customer shall provide Distribution Provider, at each Affected System Interconnection Customer's option, a guarantee, a surety bond, letter of credit, or other form of security that is reasonably acceptable to Distribution Provider. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring, and installing the applicable portion of Affected System Network Upgrade(s) and shall be reduced on a dollar-for-dollar basis for payments made to Distribution Provider for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of Distribution Provider and contain terms and conditions that guarantee payment of any amount that may be due from such Affected System Interconnection Customer, up to an agreed-to maximum amount. The letter of credit must be issued by a financial institution reasonably acceptable to Distribution Provider and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to Distribution Provider and must specify a reasonable expiration date.

4.2 Invoice. Each Party shall submit to the other Parties, on a monthly basis, invoices of amounts due, if any, 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 another Party under this Agreement, including interest payments, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

4.3 Payment. Invoices shall be rendered to the paying Party at the address specified by the Parties. 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 a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

4.4 Final Invoice. Within six (6) months after completion of the construction of the Affected System Network Upgrade(s) Distribution Provider shall provide an invoice of the final cost of the construction of the Affected System Network Upgrade(s) and shall set forth such costs in sufficient detail to enable each Affected System Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Distribution Provider shall refund, with interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)), to each Affected System Interconnection Customer any amount by which the actual payment by Affected System Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

4.5 Interest. Interest on any unpaid amounts shall be calculated in accordance with 18 CFR 35.19a(a)(2)(iii).

4.6 Payment During Dispute. In the event of a billing dispute among the Parties, Distribution Provider shall continue to construct the Affected System Network Upgrade(s) under

this Agreement as long as each Affected System Interconnection Customer: (1) continues to make all payments not in dispute; and (2) pays to Distribution Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If any Affected System Interconnection Customer fails to meet these two requirements, then Distribution Provider may provide notice to such Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

ARTICLE 5
BREACH, CURE, AND DEFAULT

5.1 Events of Breach. A Breach of this Agreement shall include the:

(a) Failure to pay any amount when due;

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

(c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or

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

5.2 Definition. Breaching Party shall mean the Party that is in Breach.

5.3 Notice of Breach, Cure, and Default. Upon the occurrence of an event of Breach, any Party aggrieved by the Breach, when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

5.2.1 Upon receiving written notice of the Breach hereunder, the Breaching Party shall have a period to cure such Breach (hereinafter referred to as the "Cure Period") which shall be sixty (60) Calendar Days. If an Affected System Interconnection Customer is the Breaching Party and the Breach results from a failure to provide payments or security under Article 4.1 of this Agreement, the other Affected System Interconnection Customers, either individually or in concert, may cure the Breach by paying the amounts owed or by providing adequate security, without waiver of contribution rights against the breaching Affected System Interconnection Customer. Such cure for the Breach of an Affected System Interconnection Customer is subject to the reasonable consent of Distribution Provider. Distribution Provider may also cure such

Breach by funding the proportionate share of the Affected System Network Upgrade costs related to the Breach of Affected System Interconnection Customer. Distribution Provider must notify all Parties that it will exercise this option within thirty (30) Calendar Days of notification that an Affected System Interconnection Customer has failed to provide payments or security under Article 4.1.

5.2.2 In the event the Breach is not cured within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non-Defaulting Parties may (1) act in concert to amend the Agreement to remove an Affected System Interconnection Customer that is in Default from this Agreement for cause and to make other changes as necessary, or (2) either in concert or individually take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

5.3 Rights in the Event of Default. Notwithstanding the foregoing, upon the occurrence of Default, the non-Defaulting Parties shall be entitled to exercise all rights and remedies it may have in equity or at law.

ARTICLE 6
TERMINATION OF AGREEMENT

6.1 Expiration of Term. Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement shall terminate at the conclusion of the term of this Agreement.

6.2 Termination and Removal. Subject to the limitations set forth in Article 6.3, in the event of a Default, termination of this Agreement, as to a given Affected System Interconnection Customer or in its entirety, shall require a filing at FERC of a notice of termination, which filing must be accepted for filing by FERC.

6.3 Disposition of Facilities Upon Termination of Agreement.

6.3.1 Distribution Provider Obligations. Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, Distribution Provider:

(a) shall, prior to the construction and installation of any portion of the Affected System Network Upgrade(s) and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Affected System Network Upgrade(s);

(b) may keep in place any portion of the Affected System Network Upgrade(s) already constructed and installed; and,

(c) shall perform such work as may be necessary to ensure the safety of persons and property and to preserve the integrity of Distribution Provider's Distribution System (e.g., construction demobilization to return the system to its original state, wind-up work).

6.3.2 Affected System Interconnection Customer Obligations. Upon billing by Distribution Provider, each Affected System Interconnection Customer shall reimburse Distribution Provider for its share of any costs incurred by Distribution Provider in performance of the actions required or permitted by Article 6.3.1 and for its share of the cost of any Affected System Network Upgrade(s) described in Appendix A. Distribution Provider shall use Reasonable Efforts to minimize costs and shall offset the amounts owed by any salvage value of facilities, if applicable. Each Affected System Interconnection Customer shall pay these costs pursuant to Article 4.3 of this Agreement.

6.3.3 Pre-construction or Installation. Upon termination of this Agreement and prior to the construction and installation of any portion of the Affected System Network Upgrade(s), Distribution Provider may, at its option, retain any portion of such Affected System Network Upgrade(s) not cancelled or returned in accordance with Article 6.3.1(a), in which case Distribution Provider shall be responsible for all costs associated with procuring such Affected System Network Upgrade(s). To the extent that an Affected System Interconnection Customer has already paid Distribution Provider for any or all of such costs, Distribution Provider shall refund Affected System Interconnection Customer for those payments. If Distribution Provider elects to not retain any portion of such facilities, and one or more of Affected System Interconnection Customers wish to purchase such facilities, Distribution Provider shall convey and make available to the applicable Affected System Interconnection Customer(s) such facilities as soon as practicable after Affected System Interconnection Customer(s)' payment for such facilities.

6.4 Survival of Rights. Termination or expiration of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof, to the extent necessary to provide for (1) final billings, billing adjustments, and other billing procedures set forth in this Agreement; (2) the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (3) the confidentiality provisions set forth in Article 8.

ARTICLE 7
SUBCONTRACTORS

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

7.1.1 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the

provisions of this Agreement, each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

7.1.2 No Third-Party Beneficiary. Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

7.1.3 No Limitation by Insurance. The obligations under this Article 7 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

ARTICLE 8
CONFIDENTIALITY

8.1 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 to the other Parties prior to the execution of this Agreement.

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. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 CFR 388.113(c).

Such confidentiality will be maintained in accordance with this Article 8. If requested by the receiving Party, the disclosing 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.

8.1.1 Term. During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 8 or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with FERC policies and regulations.

8.1.2 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 non-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 Agreement; or (6) is required, in accordance with Article 8.1.6 of this Agreement, 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 Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

8.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties that may be or are considering providing financing to or equity participation with Affected System Interconnection Customer(s), or to potential purchasers or assignees of Affected System Interconnection Customer(s), on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 8 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 8.

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

8.1.5 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 this Agreement or its regulatory requirements.

8.1.6 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 any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. 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.

8.1.7 Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) Business 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 requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 shall survive such termination.

8.1.8 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 8. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 8, which equitable relief shall be granted without bond or proof of damages, and the Breaching 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 8, but it 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 8.

8.1.9 Disclosure to FERC, its Staff, or a State Regulatory Body. Notwithstanding anything in this Article 8 to the contrary, and pursuant to 18 CFR 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, 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 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 Parties to this Agreement prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Agreement 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 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.

8.1.10 Subject to the exception in Article 8.1.9, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (1) required by law; (2) 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; (3) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (4) necessary to fulfill its obligations under this Agreement or as Distribution Provider or a balancing authority, including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for

any of the information described in this subparagraph, the Party that received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order, or other reasonable measures.

ARTICLE 9
INFORMATION ACCESS AND AUDIT RIGHTS

9.1 Information Access. Each Party shall make available to the other Parties information necessary to verify the costs incurred by the other Parties for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties shall not use such information for purposes other than those set forth in this Article 9.1 and to enforce their rights under this Agreement.

9.2 Audit Rights. Subject to the requirements of confidentiality under Article 8 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Affected System Network Upgrade(s) shall be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following Distribution Provider's issuance of a final invoice in accordance with Article 4.4. Affected System Interconnection Customers may, jointly or individually, at the expense of the requesting Party(ies), during normal business hours, and upon prior reasonable notice to Distribution Provider, audit such accounts and records. Any audit authorized by this Article 9.2 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 obligations under this Agreement.

ARTICLE 10
NOTICES

10.1 General. Any notice, demand, or request required or permitted to be given by a Party to the other Parties, and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party, may be so given, tendered, or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To Distribution Provider:

To Affected System Interconnection Customers:

10.2 Billings and Payments. Billings and payments shall be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

10.3 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other Parties 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 below:

To Distribution Provider:

To Affected System Interconnection Customers:

10.4 Execution and Filing. Affected System Interconnection Customers shall either: (i) execute two originals of this tendered Agreement and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC this Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of this tendered Agreement (if it does not conform with a FERC-approved standard form of this Agreement) or the request to file this Agreement unexecuted, Distribution Provider shall file this Agreement with FERC, together with its explanation of any matters as to which Affected System Interconnection Customers and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Affected System Interconnection Customers under this Agreement. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by Distribution Provider for the Affected System Interconnection Customers' generating facilities. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted version of this Agreement, they may proceed pending FERC action.

ARTICLE 11
MISCELLANEOUS

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

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original Agreement among the Parties.

Distribution Provider
{Distribution Provider}
By: _____
Name: _____
Title: _____

Affected System Interconnection Customer
{Affected System Interconnection Customer}
By: _____
Name: _____
Title: _____

Project No.____

Affected System Interconnection Customer
{Affected System Interconnection Customer}
By: _____
Name: _____
Title: _____

Project No. ____

Appendix A to Attachment 12
Multiparty Affected System Facilities Construction Agreement

AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND RESPONSIBILITY, CONSTRUCTION SCHEDULE, AND MONTHLY PAYMENT SCHEDULE

This Appendix A is a part of the Multiparty Affected System Facilities Construction Agreement between Affected System Interconnection Customers and Distribution Provider.

1.1 Affected System Network Upgrade(s) to be installed by Distribution Provider.

{description}

1.2 First Equipment Order (including permitting).

{description}

1.2.1. Permitting and Land Rights – Distribution Provider Affected System Network Upgrade(s)

{description}

1.3 Construction Schedule. Where applicable, construction of the Affected System Network Upgrade(s) is scheduled as follows and will be periodically updated as necessary:

Table 3: Distribution Provider Construction Activities

MILESTONE NUMBER	DESCRIPTION	START DATE	END DATE

Note: Construction schedule assumes that Distribution Provider has obtained final authorizations and security from Affected System Interconnection Customers and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Affected System Network Upgrade(s).

1.4 Payment Schedule.

1.4.1 Timing of and Adjustments to Affected System Interconnection Customers' Payments and Security.

{description}

1.4.2 Monthly Payment Schedule. Affected System Interconnection Customers' payment schedule is as follows.

{description}

Table 4: Affected System Interconnection Customers' Payment/Security Obligations for Affected System Network Upgrade(s).

MILESTONE NUMBER	DESCRIPTION	DATE

* Affected System Interconnection Customers' proportionate responsibility for each payment is as follows:

Affected System Interconnection Customer 1 ___._%
Affected System Interconnection Customer 2 ___._%
Affected System Interconnection Customer N ___._%

Note: Affected System Interconnection Customers' payment or provision of security as provided in this Agreement operates as a condition precedent to Distribution Provider's obligations to construct any Affected System Network Upgrade(s), and failure to meet this schedule will constitute a Breach pursuant to Article 5.1 of this Agreement.

1.5 Permits, Licenses, and Authorizations.

{description}

Appendix B to Attachment 12
Multiparty Affected System Facilities Construction Agreement

NOTIFICATION OF COMPLETED CONSTRUCTION

This Appendix B is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Distribution Provider. Where applicable, when Distribution Provider has completed construction of the Affected System Network Upgrade(s), Distribution Provider shall send notice to Affected System Interconnection Customers in substantially the form following:

{Date}

{Affected System Interconnection Customers Addresses}

Re: Completion of Affected System Network Upgrade(s)

Dear {Name or Title}:

This letter is sent pursuant to the Multiparty Affected System Facilities Construction Agreement among {Distribution Provider} and {Affected System Interconnection Customers}, dated _____, 20___

On {Date}, Distribution Provider completed to its satisfaction all work on the Affected System Network Upgrade(s) required to facilitate the safe and reliable interconnection and operation of Affected System Interconnection Customer's generating facilities. Distribution Provider confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}
{Distribution Provider Representative}

Appendix C to Attachment 12
Multiparty Affected System Facilities Construction Agreement

EXHIBITS

This Appendix C is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Distribution Provider.

Exhibit A1
Distribution Provider Site Map

Exhibit A2
Site Plan

Exhibit A3
Affected System Network Upgrade(s) Plan & Profile

Exhibit A4
Estimated Cost of Affected System Network Upgrade(s)

	Location	Facilities to Be Constructed by Distribution Provider	Estimate in Dollars
		Total:	

ATTACHMENT L:
Small Generator Interconnection Agreement (SGIA) for Interconnection Requests Processed under the Wholesale Distribution Tariff Attachment K: Generator Interconnection Study Procedures

(For Generating Facilities No Larger Than 20 MW)

This Interconnection Agreement ("Agreement") is made and entered into this_____day of _____, 20___, by_____ ("Distribution Provider"), and _____ ("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

Distribution Provider Information

Distribution Provider: _____

Attention:_____

Address:_____

City: _____State:_____ Zip:_____

Phone: _____Fax:_____

Interconnection Customer Information

Distribution Provider: _____

Attention:_____

Address:_____

City: _____State:_____ Zip:_____

Phone: _____Fax:_____

Interconnection Customer Application No:_____

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

Article 1. Scope and Limitations of Agreement

1.1 Applicability

This Agreement shall be used for all Small Generating Facility Interconnection Requests submitted under the Generator Interconnection Study Procedures (GISP) except for those submitted under the 10 kW Inverter Process contained in GISP Attachment 5.

1.2 Purpose

This Agreement governs the terms and conditions under which Interconnection Customer's Small Generating Facility will interconnect with, and operate in parallel with, Distribution Provider's Distribution System.

1.3 No Agreement to Purchase or Deliver Power

This Agreement does not constitute an agreement to purchase or deliver Interconnection Customer's power. The purchase or delivery of power and other services that Interconnection Customer may require will be covered under separate agreements, if any. Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity with the applicable Distribution Provider.

1.4 Limitations

Nothing in this Agreement is intended to affect any other agreement between Distribution Provider and Interconnection Customer.

1.5 Responsibilities of the Parties

1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility

Practice.

1.5.2 Interconnection Customer shall construct, interconnect, operate and maintain its Small Generating Facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, in accordance with this Agreement, and with Good Utility Practice.

1.5.3 Distribution Provider shall construct, operate, and maintain its Distribution System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.

1.5.4 Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. Interconnection Customer agrees to design, install, maintain, and operate its Small Generating Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of Distribution Provider or Affected Systems. The Interconnection Customer shall comply with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of this SGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this SGIA shall govern.

1.5.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. Distribution Provider and Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect Distribution Provider's Distribution and Transmission Systems, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Agreement.

1.5.6 Distribution Provider shall coordinate with all Affected Systems to support the interconnection.

1.5.7 Interconnection Customer shall ensure "frequency ride through" capability and "voltage ride through" capability of its Small Generating Facility in accordance with the standards and requirements described in the PG&E Transmission Interconnection Handbook (TIH) and the Distribution Interconnection Handbook (DIH). Interconnection Customer shall enable these capabilities such that its Small Generating Facility shall not disconnect automatically or instantaneously from the system or equipment of Distribution Provider and any Affected Systems for a defined under-frequency or over-frequency condition, or an under-voltage or over-voltage condition, as tested pursuant to Article 2.1 of this Agreement. The defined conditions shall be in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The Small Generating Facility's protective equipment settings shall comply with Distribution Provider's automatic load-shed program. Distribution Provider shall review the protective equipment settings to confirm compliance with the automatic load-shed program. The term "ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of Distribution Provider and any Affected Systems during system disturbances within a range of conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The term "frequency ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of Distribution Provider and any Affected Systems during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The term "voltage ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and

synchronized with the system or equipment of Distribution Provider and any Affected Systems during system disturbances within a range of under-voltage and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. For abnormal frequency conditions and voltage conditions within the "no trip zone" defined by Reliability Standard PRC-024-3 or successor mandatory ride through Applicable Reliability Standards, the non-synchronous Small Generating Facility must ensure that, within any physical limitations of the Small Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

Any requests by the Interconnection Customer during the interconnection construction process, or following receipt of the Permission to Operate authorization, for the Distribution Provider to review Interconnection Customer-proposed modification(s) of the operating parameters of this facility must be accompanied by updates to the models originally submitted for this facility as part of Attachment 2 of Wholesale Distribution Tariff, Attachment K "Generator Interconnection Study Procedures (GISP)".

1.6 Parallel Operation Obligations

Once the Small Generating Facility has been authorized by Distribution Provider to

commence parallel operation, Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the Small Generating Facility in the applicable Balancing Authority Area, including, but not limited to; 1) the rules and procedures concerning the operation of generation set forth in the Tariff or by the applicable system operator(s) for Distribution Provider's Distribution System and; 2) the Operating Requirements set forth in Attachment 5 of this Agreement.

1.7 Metering

Interconnection Customer shall be responsible for Distribution Provider's reasonable and necessary cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2 and 3 of this Agreement. Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements.

1.8 Reactive Power and Primary Frequency Response

1.8.1 Power Factor Design Criteria

1.8.1.1 Synchronous Generation. Interconnection Customer shall design its Small 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 Distribution Provider has established different requirements that apply to all similarly situated synchronous generators in the Balancing Authority Area on a comparable basis.

1.8.1.2 Non-Synchronous Generation – Interconnection Customer shall design its Small 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 Distribution Provider has

established a different power factor range that applies to all similarly situated non-synchronous generators in the Balancing Authority 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).

1.8.2 This Section deleted in FERC Docket No. ER13-494-000.

1.8.3 This Section deleted in FERC Docket No. ER13-494-000.

1.8.4 Primary Frequency Response. Interconnection Customer shall ensure the primary frequency response capability of its Small 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 Small 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 Electric Reliability Organization reliability standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Small 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 Electric Reliability Organization 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 Small 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 Small 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 Electric Reliability Organization reliability standard providing for an equivalent or more stringent parameter. Interconnection Customer shall notify Transmission Provider that the primary frequency response capability of the Small Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Small Generating Facility with the Transmission System, Interconnection Customer shall operate the Small Generating Facility consistent with the provisions specified in Sections 1.8.4.1 and 1.8.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Small Generating Facilities.

1.8.4.1 Governor or Equivalent Controls. Whenever the Small Generating Facility is operated in parallel with the Transmission System, Interconnection Customer shall operate the Small 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 Electric Reliability Organization 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 Small 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 Small Generating Facility's governor or equivalent controls to a minimum whenever the Small Generating Facility is operated in parallel with the Transmission System.

1.8.4.2 Timely and Sustained Response. Interconnection Customer shall ensure that the Small 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 Small 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 Small 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.

1.8.4.3 Exemptions. Small Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Sections 1.8.4, 1.8.4.1, and 1.8.4.2 of this Agreement. Small 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 1.8.4, but shall be otherwise exempt from the operating requirements in Sections 1.8.4, 1.8.4.1, 1.8.4.2, and 1.8.4.4 of this Agreement.

1.8.4.4 Electric Storage Resources. Interconnection Customer interconnecting an electric storage resource shall establish an operating range in Attachment 5 of its SGIA 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 1.8.4, 1.8.4.1, 1.8.4.2 and 1.8.4.3 of this Agreement.

Attachment 5 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 Attachment 5 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 1.8.4.2 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.

1.9 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

2.1.1 Interconnection Customer shall test and inspect its Small Generating Facility and Interconnection Facilities prior to interconnection. Interconnection Customer shall notify Distribution Provider of such activities no fewer than five (5) Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. Distribution Provider may, at its own expense, send qualified personnel to the Small Generating Facility site to inspect the interconnection and observe the testing. Interconnection Customer shall provide Distribution Provider a written test report when such testing and inspection is completed.

2.1.2 Distribution Provider shall provide Interconnection Customer written acknowledgment that it has received Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by Distribution Provider of the safety, durability, suitability, or reliability of the Small Generating Facility or any associated control, protective, and safety devices owned or controlled by Interconnection Customer or the quality of power produced by the Small Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

2.2.1 Distribution Provider shall use Reasonable Efforts to list applicable parallel operation requirements in Attachment 5 of this Agreement. Additionally, Distribution Provider shall notify Interconnection Customer of any changes to

these requirements as soon as they are known. Distribution Provider shall make Reasonable Efforts to cooperate with Interconnection Customer in meeting requirements necessary for Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 Interconnection Customer shall not operate its Small Generating Facility in parallel with Distribution Provider's Distribution System without prior written authorization of Distribution Provider. Distribution Provider will provide such authorization once Distribution Provider receives notification that Interconnection Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 Right of Access

2.3.1 Upon reasonable notice, Distribution Provider may send a qualified person to the premises of Interconnection Customer at or immediately before the time the Small Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Small Generating Facility (including any required testing), startup, and operation for a period of up to three (3) Business Days after initial start-up of the unit. In addition, Interconnection Customer shall notify Distribution Provider at least five (5) Business Days prior to conducting any on-site verification testing of the Small Generating Facility.

2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Distribution Provider shall have access to Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

2.3.3 Each Party shall be responsible for its own costs associated with following this article.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by the FERC. Distribution Provider shall promptly file this Agreement with the FERC upon execution, if required.

3.2 Term of Agreement

This Agreement shall become effective on the Effective Date and shall remain in effect for a period of ten years from the Effective Date or such other longer period as Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.3 of this Agreement.

3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement (if required), which notice has been accepted for filing by FERC.

3.3.1 Interconnection Customer may terminate this Agreement at any time by giving Distribution Provider twenty (20) Business Days written notice.

3.3.2 Either Party may terminate this Agreement after Default pursuant to article 7.6.

3.3.3 Upon termination of this Agreement, the Small Generating Facility will be disconnected from Distribution Provider's Distribution 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 SGIA or such non-terminating Party otherwise is responsible for these costs under this SGIA.

3.3.4 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

3.3.5 The provisions of this article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions

"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 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 the Distribution System, Distribution Provider's Interconnection Facilities or the Distribution 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 non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Small Generating Facility or Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, Distribution Provider may immediately suspend interconnection service and temporarily disconnect the Small Generating Facility. Distribution Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect Interconnection Customer's operation of the Small Generating Facility. Interconnection Customer shall notify Distribution Provider promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect Distribution Provider's Distribution System or other Affected Systems. 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 both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

3.4.2 Routine Maintenance, Construction, and Repair

Distribution Provider may interrupt interconnection service or curtail the output of the Small Generating Facility and temporarily disconnect the Small Generating Facility from Distribution Provider's Distribution System when necessary for routine maintenance, construction, and repairs on Distribution Provider's Distribution System and/or Transmission System. Distribution Provider shall provide Interconnection Customer with five (5) Business Days notice prior to such interruption. Distribution Provider shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with Interconnection Customer.

3.4.3 Forced Outages

During any forced outage, Distribution Provider may suspend interconnection service to effect immediate repairs on Distribution Provider's Distribution System and/or Transmission System. Distribution Provider shall use Reasonable Efforts to provide Interconnection Customer with prior notice. If prior notice is not given, Distribution Provider shall, upon request, provide Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

3.4.4 Adverse Operating Effects

Distribution Provider shall notify Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Small Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Small Generating Facility could cause damage to Distribution Provider's Distribution System or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to Interconnection Customer upon request. If, after notice, Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, Distribution Provider may disconnect the Small Generating Facility. Distribution Provider shall provide Interconnection Customer with five

Business Day notice of such disconnection, unless the provisions of article 3.4.1 apply.

3.4.5 Modification of the Small Generating Facility

Interconnection Customer must receive written authorization from Distribution Provider before making any change to the Small Generating Facility that may have a material impact on the safety or reliability of the Distribution System and/or Transmission System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If Interconnection Customer makes such modification without Distribution Provider's prior written authorization, the latter shall have the right to temporarily disconnect the Small Generating Facility.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility, Interconnection Facilities, and Distribution Provider's Distribution System and/or Transmission System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

4.1 Interconnection Facilities

4.1.1 Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement. Distribution Provider shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of Interconnection Customer, such other entities, and Distribution Provider.

4.1.2 Interconnection Customer shall be responsible for its share of all reasonable

expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing Distribution Provider's Interconnection Facilities.

4.2 Distribution Upgrades

Distribution Provider shall design, procure, construct, install, and own the Distribution Upgrades described in Attachment 6 of this Agreement. If Distribution Provider and Interconnection Customer agree, Interconnection Customer may construct Distribution Upgrades that are located on land owned by Interconnection Customer. The actual cost of the Distribution Upgrades, including overheads, shall be directly assigned to Interconnection Customer.

Article 5. Cost Responsibility for Network Upgrades

5.1 Applicability

No portion of this Article 5 shall apply unless the interconnection of the Small Generating Facility requires Network Upgrades.

5.2 Network Upgrades

Distribution Provider or the Transmission Owner shall design, procure, construct, install, and own the Network Upgrades described in Attachment 6 of this Agreement. If Distribution Provider and Interconnection Customer agree, Interconnection Customer may construct Network Upgrades that are located on land owned by Interconnection Customer. Unless Distribution Provider elects to pay for Network Upgrades, the actual cost of the Network Upgrades, including overheads, shall be borne initially by Interconnection Customer

5.2.1 Repayment of Amounts Advanced for Network Upgrades

Interconnection Customer shall be entitled to a cash repayment, equal to the total

amount paid to Distribution Provider and Affected System operator, if any, for Network Upgrades, including any tax gross-up or other tax-related payments associated with the Network Upgrades, and not otherwise refunded to Interconnection Customer. To be paid to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under Transmission Provider's Tariff and Affected System's Tariff for transmission services with respect to the Small Generating Facility.

Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. 35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interconnection Customer may assign such repayment rights to any person.

5.2.1.1 Notwithstanding the foregoing, Interconnection Customer, Distribution Provider, and any applicable Affected System operators may adopt any alternative payment schedule that is mutually agreeable so long as Distribution Provider and said Affected System operators take one of the following actions no later than five years from the Commercial Operation Date: (1) return to Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that Distribution Provider or any applicable Affected System operator(s) will continue to provide payments to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the commercial operation date.

5.2.1.2 If the Small Generating Facility fails to achieve commercial operation, but it or another generating facility is later constructed and requires use of the

Network Upgrades, Distribution Provider and Affected System operator shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, Interconnection Customer or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.

5.3 Special Provisions for Affected Systems

Unless Distribution Provider provides, under this Agreement, for the repayment of amounts advanced to any applicable Affected System operators for Network Upgrades, Interconnection Customer and Affected System operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to Affected System operator as well as the repayment by Affected System operator.

5.4 Rights Under Other Agreements

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Small Generating Facility.

Article 6. Billing, Payment, Milestones, and Financial Security

6.1 Billing and Payment Procedures and Final Accounting

6.1.1 Distribution Provider shall bill Interconnection Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as otherwise

agreed by the Parties. Interconnection Customer shall pay each bill within thirty (30) Calendar Days of receipt, or as otherwise agreed to by the Parties.

6.1.2 Within six months of completing the construction and installation of Distribution Provider's Interconnection Facilities and/or Upgrades described in the Attachments to this Agreement, Distribution Provider shall provide Interconnection Customer with a final accounting report of any difference between (1) Interconnection Customer's cost responsibility for the actual cost of such facilities or Upgrades, and (2) Interconnection Customer's previous aggregate payments to Distribution Provider for such facilities or Upgrades. If Interconnection Customer's cost responsibility exceeds its previous aggregate payments, Distribution Provider shall invoice Interconnection Customer for the amount due and Interconnection Customer shall make payment to Distribution Provider within thirty (30) Calendar Days. If Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, Distribution Provider shall refund to Interconnection Customer an amount equal to the difference within thirty (30) Calendar Days of the final accounting report.

6.2 Milestones

The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 4 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than an Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless (1) it will suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

6.3 Financial Security Arrangements

The Interconnection Customer shall provide the Distribution Provider an Interconnection Financial Security by the earliest date of either (i) no later than the financial security posting milestone date negotiated in Attachment 4 of this Agreement, (ii) no later than 180 Calendar Days after the effective date of this agreement, or (iii) at least twenty (20) Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of Distribution Provider's Interconnection Facilities and Upgrades. Interconnection Customer shall provide Distribution Provider, at Interconnection Customer's option, a guarantee, letter of credit, escrow agreement or other form of security that is reasonably acceptable to Distribution Provider and is consistent with the Uniform Commercial Code of the jurisdiction where the Point of Interconnection is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of Distribution Provider's Interconnection Facilities and Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Distribution Provider under this Agreement during its term. In addition:

6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Distribution 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.

6.3.2 The letter of credit or escrow agreement must be issued by a financial institution or insured reasonably acceptable to Distribution Provider and must specify a reasonable expiration date.

6.4 Responsibility for any Outstanding Interconnection Study Costs

The Interconnection Customer must complete payment on all outstanding invoiced interconnection study costs no later than the financial security posting milestone date negotiated in Attachment 4 of this Agreement. Study costs not yet invoiced within thirty (30) Calendar Days of that financial security posting deadline must be paid by the

Interconnection Customer within thirty (30) Calendar Days of the date of the invoice once they are invoiced to the Interconnection Customer.

Failure to complete payment on these interconnection study invoices by these deadlines will constitute Default on this Agreement by the Interconnection Customer, subject to the terms of Article 7.6 "Default."

Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default

7.1 Assignment

This Agreement may be assigned by either Party upon fifteen (15) Business Days prior written notice and opportunity to object by the other Party; provided that:

7.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, provided that Interconnection Customer promptly notifies Distribution Provider of any such assignment.

7.1.2 Interconnection Customer shall have the right to assign this Agreement, without the consent of Distribution Provider, for collateral security purposes to aid in providing financing for the Small Generating Facility, provided that Interconnection Customer will promptly notify Distribution Provider of any such assignment.

7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.

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

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

7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person

shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

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

7.4 Consequential Damages

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

7.5 Force Majeure

7.5.1 As used in this article, a Force Majeure 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 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 an act of negligence or intentional wrongdoing".

7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

7.6 Default

7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of an Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have sixty (60) Calendar Days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within sixty (60) Calendar Days, the defaulting Party shall commence such cure within twenty (20) Calendar Days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement 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 Agreement, to recover from the defaulting 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 Agreement.

7.6.3 If Distribution Provider requires Interconnection Customer to memorialize the operating assumptions for the charging behavior of a Generating Facility that includes at least one electric storage resource, Distribution Provider may consider Interconnection Customer to be in Breach of the SGIA if Interconnection Customer fails to operate the Generating Facility in accordance with those operating assumptions for charging behavior. However, if Interconnection Customer operates contrary to the operating assumptions for charging behavior specified in the application at the direction of Distribution Provider, Distribution Provider shall not consider Interconnection Customer in Breach of this SGIA.

Article 8. Insurance

8.1 Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made. Interconnection Customer shall obtain additional insurance only, if necessary, as a function of owning and operating a generating facility. Such insurance shall be obtained from an insurance provider authorized to do business in the State where the interconnection is located. Certification that such insurance is in effect shall be provided upon request of Distribution Provider, except that Interconnection Customer shall show proof of insurance to Distribution Provider no later than ten (10) Business Days prior to the anticipated commercial operation date. An Interconnection Customer of sufficient credit-

worthiness may propose to self-insure for such liabilities, and such a proposal shall not be unreasonably rejected.

8.2 Distribution Provider agrees to maintain general liability insurance or self-insurance consistent with Distribution Provider's commercial practice. Such insurance or self-insurance shall not exclude coverage for Distribution Provider's liabilities undertaken pursuant to this Agreement.

8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

Article 9. Confidentiality

9.1 Confidential Information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential. "For purposes of this Agreement all design, operating specifications, and metering data provided by Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such.

9.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

9.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its

rights under this provision to prevent the release of Confidential Information without bond or proof of damages and may seek other remedies available at law or in equity for breach of this provision.

9.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1 b.20, if FERC, 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 Agreement, the Party shall provide the requested information to FERC, within the time provided for in the request for information. In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC. The Party shall notify the other Party to this Agreement when it is notified by FERC 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 § 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.

Article 10. Disputes

10.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

10.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

10.3 If the dispute has not been resolved within two (2) Business Days after receipt of the Notice, either Party may contact FERC's Dispute Resolution Service (DRS) for assistance in resolving the dispute.

10.4 The DRS will assist the Parties in either resolving their dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral

evaluation, or technical expert) to assist the Parties in resolving their dispute. DRS can be reached at 1-877-337-2237 or via the internet at http://www.ferc.gov/legal/adr.asp.

10.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.

10.6 If neither Party elects to seek assistance from the DRS, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

Article 11. Taxes

11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with FERC policy and Internal Revenue Service requirements.

11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect Distribution Provider's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

Article 12. Miscellaneous

12.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of California (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.2 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties, or under article 12.12 of this Agreement.

12.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

12.4 Waiver

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

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

12.5 Entire Agreement

This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

12.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed

an original, but all constitute one and the same instrument.

12.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. FERC expects all transmission providers, market participants, and interconnection customers interconnected to electric systems 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 are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

12.10 Environmental Releases

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 Small Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

12.11 Subcontractors

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

12.11.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. 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 Distribution Provider be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor’s insurance.

12.12 Reservation of Rights

Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations, except to the extent that the Parties otherwise agree as provided herein.

Article 13. Notices

13.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

If to Interconnection Customer:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____ State:_____ Zip:_____

Phone: _____ Fax: _____

If to Distribution Provider:

Distribution Provider: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

Interconnection Customer: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Distribution Provider: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and

not required by this Agreement to be given in writing may be so given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

If to Interconnection Customer:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____ State:_____ Zip:_____

Phone: _____ Fax: _____

If to Distribution Provider:

Distribution Provider: _____

Attention:_____

Address:_____

City:_____ State:_____ Zip:_____

Phone: _____ Fax: _____

13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

Interconnection Customer:_____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

Distribution Provider's Operating Representative:

Distribution Provider: _____

Attention:_____

Address:_____

City:_____State:_____Zip:_____

Phone: _____Fax: _____

13.5 Changes to the Notice Information

Either Party may change this information by giving five (5) Business Days written notice prior to the effective date of the change.

Article 14. Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For Distribution Provider

Name:_____

Title: _____

Date: _____

For Interconnection Customer

Name: _____

Title: _____

Date: _____

Attachment 1

Glossary of Terms

Adverse System Impact – A potential or actual negative effect 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 Distribution Provider's Distribution System that may be affected by the proposed interconnection.

Applicable Laws and Regulations – 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 – The reliability council applicable to the Distribution System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards – The requirements and guidelines of the Electric Reliability Organization and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

Area Deliverability Constraint – A transmission system operating limit, that would constrain the deliverability of a substantial number of generators if the CAISO were to assign full capacity or partial capacity deliverability status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Controlled Grid in a total amount that is greater than the TP Deliverability for those areas. May also be a transmission system operating limit that constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process (TPP) portfolio for the entire portfolio area. May also be a transmission system operating limit that constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrade (ADNU) – A transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint.

Balancing Authority - An entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

Balancing Authority Area - 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 – The 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 CAISO, 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 CAISO 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 CAISO 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 – The failure of a Party to perform or observe any material term or condition of the GIA.

Breaching Party – A Party that is in Breach of the GIA.

Business Day – Monday through Friday, excluding Federal Holidays and the Friday after

Thanksgiving.

Calendar Day – Any day including Saturday, Sunday or a Federal Holiday.

CAISO – California Independent System Operator Corporation. See also ISO.

Clustering – The process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection System Impact Study.

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

Commercial Operation Date – The date on which an Electric Generating Unit at a Generating Facility has received final written Permission to Operate from the Distribution Provider for operation of the generation facilities in parallel with the utility.

Confidential Information – 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 – 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 – 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.

CPUC – California Public Utilities Commission

Default – The failure of a breaching Party to cure its Breach under the Small Generator Interconnection Agreement.

Deliverability – The transmission capacity enabling the delivery of energy to the aggregate of load on the CAISO Grid at peak load, under a variety of modeled stressed conditions. Deliverability includes (1) the annual Net Qualifying Capacity (as defined in the CAISO Tariff) of a Generating Facility, as verified through a Deliverability Assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide; (2) the annual Maximum Import Capability of an intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-Serving Entities collectively can procure from imports at that intertie to meet their resource adequacy requirements; and (3) TP Deliverability.

Deliverability Assessment – An evaluation of the On-Peak Deliverability Assessment set forth in GISP Section 5.5, and the Off-Peak Deliverability Assessment set forth in GISP Section 5.5 to determine if a Generating Facility or a group of Generating Facilities could provide Energy to the CAISO Controlled Grid and be delivered to the aggregate of Load on the CAISO Controlled Grid at Peak Load, under a variety of severely stressed conditions.

Deliverability Status – An attribute of a Generating Facility that is requested by an Interconnection Customer for the Generating Facility, assigned by the CAISO to the Generating Facility through the GISP, GIDAP, or other process specified in the CAISO tariff, and that affects the maximum Net Qualifying Capacity to which the Generating Facility could be entitled.

Deliverable Option – An election by an Interconnection Customer seeking Deliverability to interconnect in a Deliverable Zone, and receive cash reimbursement or Merchant Transmission CRRs (as defined in the ISO Tariff) for Network Upgrades, but without any guarantee of Deliverability.

Deliverable Zone – A Transmission Zone (as defined in the ISO Tariff) with at least 50 MW of available Deliverability before the Cluster Request Window, as determined by the ISO.

Delivery Network Upgrades – 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. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

Dispute Resolution – 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 Small 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 – 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 – 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 Distribution Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Small Generating Facility and render the service necessary to effect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

Effective Date – 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 – An individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered.

Emergency Condition – 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 – 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).

Environmental Law – The applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

Federal Power Act – The Federal Power Act, as amended, 16 U.S.C. §§ 791a et seq.

FERC – The Federal Energy Regulatory Commission (Commission) or its successor.

Full Capacity Deliverability Status (FCDS) – 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.

Generating Facility – The 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. 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 – 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) – Either the Small Generator Interconnection Agreement (SGIA), which is Attachment F to the 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 the Wholesale Distribution Tariff.

Generator Interconnection and Deliverability Allocation Procedures (GIDAP) – See ISO's Generator Interconnection and Deliverability Allocation Procedures (ISO Tariff GIDAP)

Generator Interconnection Study Procedures (GISP) – See the definition for either ISO's Tariff Generator Interconnection Procedures (ISO Tariff RIS), or Wholesale Distribution Tariff Generator Interconnection Study Procedures (WDT GISP).

Good Utility Practice – 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 – 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, the Interconnection Provider, or any Affiliate thereof.

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

In-Service Date – 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 Distribution Provider, the Distribution Owner, or any of the affiliates or subsidiaries of either, that proposes to interconnect its Small Generating Facility with Distribution Provider's Distribution System.

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

Interconnection Financial Security – The financial instrument(s) submitted by the Interconnection Customer to the Distribution Provider prior to the start of any Construction Activities as a security for the Distribution Provider against the estimated costs of the Construction Activities described in the Generator Interconnection Agreement. The Interconnection Customer may post the Interconnection Financial Security using any of the financial instruments listed in the WDT GISP.

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 this SGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this SGIA shall govern.

Interconnection Request – Interconnection Customer's request, in accordance with the Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with Distribution Provider's Distribution System.

Interconnection Service – 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.

IRS – The Internal Revenue Service.

ISO – 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. See also CAISO.

ISO Deliverability Application – Submittal to the CAISO of all information required for Interconnection Requests seeking Deliverability under the Cluster Study Process pursuant to Section 9.3 of the CAISO Tariff RIS.

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

Large Generating Facility – A Generating Facility having a Generating Facility Capacity of more than 20 MW.

Letter Agreement – An agreement that authorizes the Distribution Provider to begin engineering, design, procurement of long lead-time items, and/or construction necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Load Serving Entity – The term used in the CAISO Tariff to denote any entity (or its duly designated agent) including a load aggregator or power marketer that (a) (i) serves end users within the CAISO Balancing Authority Area and (ii) has been granted authority or has an obligation pursuant to state or local law, regulation, or franchise to sell electric energy to end users located within the CAISO Balancing Authority Area; (b) (i) is an end user, (ii) has been granted authority pursuant to state or local law or regulation to serve its own load through the purchase of electric energy from an entity that does not qualify as a Load Serving Entity, and (iii) serves its own load through purchases of electric energy from an entity that does not qualify as a Load Serving Entity with respect to such purchases of electric energy, or (c) is a federal power marketing authority that serves end users.

Local Deliverability Constraint – A transmission system operating limit modeled in the GIDAP study process that would be exceeded if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade (LDNU) – A transmission upgrade or addition identified by the CAISO in the GIDAP Interconnection Study Process to relieve a Local Deliverability Constraint.

Loss – 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 with a later queue priority date.

Merchant Zone – A Transmission Zone (as defined in the CAISO Tariff) with less than 50 MW of available Deliverability before the Cluster Request Window, as determined by the CAISO.

Metering Equipment – 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 – The North American Electric Reliability Council 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 Upgrades – Additions, modifications, and upgrades to Distribution Provider's Transmission System required at or beyond the point at which the Distribution Provider's Distribution System interconnects with Distribution Provider's Transmission System to accommodate the interconnection of the Small Generating Facility with Distribution Provider's Distribution System. Network Upgrades do not include Distribution Upgrades. See also: Area Delivery Network Upgrades; Delivery Network Upgrades; Local Delivery Network Upgrades; and Reliability Network Upgrades.

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

Operating Requirements – Any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, Balancing Authority Area, or Distribution Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

Participating Transmission Owner – An entity which (i) owns, operates, and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities; and (ii) has transferred to the ISO operational control of such facilities and/or entitlements to be made part of the ISO Grid.

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

Permissible Technological Advancements - Changes to Generating Facilities that do not require a new Interconnection Request, re-study, or other substantial evaluation because they have little or no potential to substantially change Generating Unit electrical characteristics or affect other Interconnection Customers or Affected Systems.

Point of Change of Ownership – The point 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 set forth in the GIA where the Interconnection Facilities connect with Distribution Provider's Distribution System.

Pre-Construction Activities – The actions by the Distribution Provider, other than those required by a Letter Agreement under Section 7 of the GISP, 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.

Qualifying Capacity – The maximum Resource Adequacy Capacity that a Resource Adequacy Resource may be eligible to provide. The criteria and methodology for calculating the Qualifying Capacity of resources may be established by the CPUC or other applicable Local Regulatory Authority and provided to the CAISO. A resource's eligibility to provide Resource Adequacy Capacity may be reduced below its Qualifying Capacity through the CAISO's assessment of Net Qualifying Capacity.

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

Reasonable Efforts – With respect to an action required to be attempted or taken by a Party under the Small 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.

Reliability Network Upgrades – 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.

Resource Adequacy (RA) – A mandatory planning and procurement process to ensure adequate resources to serve all customers in real time. The program requires that Load Serving Entities (LSEs) meet a Planning Reserve Margin for their obligations. The program provides deliverability criteria that each LSE must meet, as well as system and local capacity requirements. Rules are provided for "counting" resources towards meeting resource adequacy obligations. The resources that are counted for RA purposes must make themselves available to the California ISO for the capacity for which they were counted. The ISO's Interim Reliability Requirements Program and the resource adequacy under MRTU tariff provisions are intended to complement the State of California's efforts to implement resource adequacy programs.

Site Control – 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 site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. The CAISO will maintain acreage requirements for each Generating Facility type on its website.

Site Exclusivity – The third option to prove Site Control and applies only in instances when the

Interconnection Customer has a business (private) or government agency (public) relationship with the project site's deed holder.

(1) For private land, Site Exclusivity shall mean documentation reasonably demonstrating legal authorization from the land owner showing the Interconnection Customer has either (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, Site Exclusivity shall mean documentation from the governing public agency providing a final, non-appealable permit, license, or other exclusive legal right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility. Such documentation showing exclusive right to use public land under the management of a Local, State, or Federal agency shall be in a form specified by that agency.

Smart Inverter – A Generating Facility's inverter that performs functions that when activated can autonomously contribute to grid support during excursions from normal operating voltage and frequency system conditions by providing dynamic reactive/real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands and other functions.

Small Generating Facility - Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include Interconnection Customer's Interconnection Facilities, that has a generating capacity of 20 megawatts (MW) or less.

Stand Alone Network Upgrades – 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 – 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 – Distribution Provider's or Affected System's 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.

Transmission Control Agreement – CAISO FERC Electric Tariff No. 7.

Transmission Plan (TP) Deliverability – The capability, measured in MW, of the CAISO Grid as modified by transmission upgrades and additions modeled or identified in the annual Transmission Plan to support the interconnection with Full Capacity Deliverability Status or Partial Capacity Deliverability Status of additional Generating Facilities in a specified geographic or electrical area of the CAISO Grid.

Transmission 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 service under the Tariff. The term Transmission Provider should be read to include the Participating Transmission Owner when the Participating Transmission Owner is separate from Transmission Provider.

Transmission System – The facilities owned, controlled or operated by Distribution Provider or the Participating Transmission Owner that are used to provide transmission service under the Tariff have been placed under the ISO's operational control and are part of the ISO Grid.

Trial Operation – The period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to Commercial Operation. Also known as Permission to Parallel for Test Purposes.

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

Wholesale Distribution Tariff Generator Interconnection Study Procedures (WDT GISP) – The procedures included in the Distribution Provider's Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider's Distribution System, as such procedures may be modified from time to time and accepted by the Commission.

Withdrawal Penalty The penalty assessed by the CAISO to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from the CAISO's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Section 3.8.1 of the CAISO RIS.

Attachment 2

Description and Costs of the Small Generating Facility, Interconnection Facilities, and Metering Equipment

Equipment, including the Small Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by Interconnection Customer, Distribution Provider, Distribution Owner or the Transmission Owner. Distribution Provider will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment.

Actual costs incurred by the Interconnection Customer to install these Interconnection Facilities will be trued up with the Interconnection Customer once this project has achieved commercial operation, per Article 6.1 of this agreement. The Interconnection Customer will be responsible for payment of all actual costs incurred to install these facilities, and any additional facilities identified as necessary during the engineering, design, or construction phases. Should additional facilities be deemed necessary for the interconnection of this facility, Distribution Provider will identify these additional facilities as soon as possible in the construction phase, and will coordinate with the Interconnection Customer on the additional costs and timing needed to implement them. As needed, the costs of ownership for these Interconnection Facilities also will be updated once this project has achieved commercial operation.

Attachment 3

One-line Diagram Depicting the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Upgrades

Attachment 4

Milestones

In-Service Date: _____**Site Control** - Interconnection Customer with qualifying regulatory limitations must have and maintain 100% site control for the duration of this project. Failure to do so and/or failure to notify Distribution Provider within ten (10) Business Days of it lapsing may result in the project being withdrawn and the SGIA being terminated per Article 7 (Default) of this SGIA, and the Interconnection Customer may be subject to Withdrawal Penalties per Section 5.2.1 of the Wholesale Distribution Tariff Attachment K "Generator Interconnection Study Procedures" (Withdrawal Penalties). Interconnection Customer with qualifying regulatory limitations must demonstrate 100% Site Control by {insert date 180 Calendar Days from SGIA effective date} or SGIA may be terminated per Article 3.3 and subject to withdrawal penalties under GISP section 5.2.1.

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____

(10) _____ _____

Agreed to by:

For Distribution Provider_____Date_____

For Distribution Owner (If Applicable) _____Date_____

For Interconnection Customer_____Date_____

Attachment 5

Additional Operating Requirements for Distribution Provider's Distribution System, Transmission System and Affected Systems Needed to Support Interconnection Customer's Needs

Distribution Provider shall also provide requirements that must be met by Interconnection Customer prior to initiating parallel operation with Distribution Provider's Distribution System. At a minimum, the Interconnection Customer agrees to construct and interconnect the facility described in this agreement with the PG&E system in accordance with the standards and requirements described in the PG&E Transmission Interconnection Handbook (TIH) and the Distribution Interconnection Handbook (DIH). Any requests by the Interconnection Customer during the interconnection construction process, or following receipt of the Permission to Operate authorization, for the Distribution Provider to review Interconnection Customer-proposed modification(s) of the operating parameters of this facility must be accompanied by updates to the models originally submitted for this facility as part of Attachment 2 of Wholesale Distribution Tariff, Attachment K “Generator Interconnection Study Procedures (GISP)”.

Attachment 6

Distribution Provider's Description of its Upgrades and Best Estimate of Upgrade Costs

Distribution Provider shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades. Distribution Provider shall functionalize Upgrade costs and annual expenses as either transmission or distribution related.

Actual costs incurred by the Interconnection Customer to install these Distribution Upgrades and Network Upgrades will be trued up with the Interconnection Customer once this project has achieved commercial operation, per Article 6.1 of this agreement. The Interconnection Customer will be responsible for payment of all actual costs incurred to install these facilities, and any additional facilities identified as necessary during the engineering, design, or construction phases. Should additional upgrades be deemed necessary for the interconnection of this facility, Distribution Provider will identify these additional upgrades as soon as possible in the construction phase, and will coordinate with the Interconnection Customer on the additional costs and timing needed to implement them. As needed, the costs of ownership for these Interconnection Facilities also will be updated once this project has achieved commercial operation.

Reliability Network Upgrades will be reimbursed pursuant to Article 5.2.1.

ATTACHMENT M:
Large Generator Interconnection Agreement (LGIA) for Interconnection Requests Processed under the Wholesale Distribution Tariff Attachment K: Generator Interconnection Study Procedures

STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD 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 Pacific Gas & Electric Company, a corporation organized and existing under the laws of the State of California ("Distribution Provider" and/or "Distribution Owner"). Interconnection Customer and Distribution Provider each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Distribution Provider operates the Distribution 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 Distribution Provider have agreed to enter into this Agreement for the purpose of interconnecting the Large Generating Facility with the Distribution System;

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

When used in this Standard 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 Tariff.

Article 1. Definitions

Adverse System Impacts 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 Distribution Provider's Distribution 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 Distribution Provider's Distribution 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 Standards shall mean the requirements and guidelines of, the Electric Reliability Organization and the Balancing Authority Area of the Distribution System to which the Generating Facility is directly interconnected.

Area Deliverability Constraint shall mean a transmission system operating limit, that would constrain the deliverability of a substantial number of generators if the CAISO were to assign full capacity or partial capacity deliverability status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Controlled Grid in a total amount that is greater than the TP Deliverability for those areas. May also be a transmission

system operating limit that constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process (TPP) portfolio for the entire portfolio area. May also be a transmission system operating limit that constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrade shall mean a transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint.

Balancing Authority shall mean an entity that integrates resource plans ahead of time, maintains demand and resource 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 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 Standard Large Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

Business Day shall mean Monday through Friday, excluding Federal Holidays and the Friday after Thanksgiving.

CAISO – California Independent System Operator Corporation. See also ISO.

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

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

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of the GISP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 7 of the GISP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Section 7 of the GISP.

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 Standard 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.

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.

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

CPUC shall mean the California Public Utilities Commission.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

Deliverability shall mean the transmission capacity enabling the delivery of energy to the aggregate of load on the CAISO Grid at peak load, under a variety of modeled stressed conditions. Deliverability includes (1) the annual Net Qualifying Capacity (as defined in the CAISO Tariff) of a Generating Facility, as verified through a Deliverability Assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide; (2) the annual Maximum Import Capability of an intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-Serving Entities collectively can procure from imports at that intertie to meet their resource adequacy requirements; and (3) TP Deliverability.

Deliverability Assessment(s) shall mean an evaluation of the On-Peak Deliverability Assessment set forth in GISP Section 5.8.3, and the Off-Peak Deliverability Assessment set forth

in GISP Section 5.8.3 to determine if a Generating Facility or a group of Generating Facilities could provide Energy to the CAISO Controlled Grid and be delivered to the aggregate of Load on the CAISO Controlled Grid at Peak Load, under a variety of severely stressed conditions.

Deliverability Status shall mean an attribute of a Generating Facility that is requested by an Interconnection Customer for the Generating Facility, assigned by the CAISO to the Generating Facility through the GISP, RIS or other process specified in the CAISO tariff, and that affects the maximum Net Qualifying Capacity to which the Generating Facility could be entitled.

Deliverable Option shall mean an election by an Interconnection Customer seeking Deliverability to interconnect in a Deliverable Zone, and receive cash reimbursement or Merchant Transmission CRRs (as defined in the CAISO Tariff) for Network Upgrades, but without any guarantee of Deliverability.

Deliverable Zone shall mean a Transmission Zone (as defined in the CAISO Tariff) with at least 50 MW of available Deliverability before the Cluster Request Window, as determined by the CAISO.

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. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

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 shall mean an 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 Standard Large Generator Interconnection Agreement to the extent necessary.

Distribution Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity

in interstate commerce and provides transmission service under the Tariff. The term 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 Appendix A to the Standard Large Generator Interconnection Agreement, 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 shall mean Distribution 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 Distribution 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 Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

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.

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

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 Distribution Provider's Distribution 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 Standard Large Generator Interconnection Agreement 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 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, 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.

Full Capacity Deliverability Status (FCDS) 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.

Generating Facility shall mean Interconnection Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request but shall not include 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 or the aggregate net capacity of the Generating Facility where it includes more than one device for the production and/or storage for later injection of electricity.

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 and Deliverability Allocation Procedures (RIS) shall mean the CAISO protocol that sets forth the interconnection and allocation procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that is included in CAISO Tariff Appendix DD.

Generator Interconnection Study Procedures (GISP) shall mean either the definition for either ISO's Tariff Generator Interconnection Procedures (ISO Tariff RIS), or Wholesale Distribution Tariff Generator Interconnection Study Procedures (WDT GISP).

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.

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

any applicable Environmental Law.

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

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

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

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

Interconnection Facilities shall mean Distribution Provider's Interconnection Facilities and 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 Distribution Provider's Distribution System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by Distribution Provider or a third-party consultant for Interconnection Customer to determine a list of facilities (including Distribution 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 Distribution Provider's Distribution System. The scope of the study is defined in Section 8 of the GISP.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix *3* of the Standard Large Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Financial Security shall mean the financial instrument(s) submitted by the Interconnection Customer to the Distribution Provider prior to the start of any Construction Activities as a security for the Distribution Provider against the estimated costs of the Construction Activities described in the Generator Interconnection Agreement. The Interconnection Customer may post the Interconnection Financial Security using any of the financial instruments listed in the WDT GISP.

Interconnection Handbook shall mean 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. Distribution Provider's standards contained in the Interconnection Handbook shall be deemed consistent with Good Utility Practice and Applicable Reliability Standards. In the event of a conflict between the terms of this LGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this LGIA shall govern.

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

Interconnection Service shall mean the service provided by Distribution Provider associated with interconnecting Interconnection Customer's Generating Facility to 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 Standard Large

Generator Interconnection Agreement and, if applicable, Distribution Provider's Tariff.

Interconnection Study shall mean any of the following studies: Initial Review, Supplemental Review, Electrical Independence Test, System Impact Study, Facilities Study, DGSP Phase 1 or Phase 2, Cluster Study Phase 1, Cluster Restudy, Cluster Facilities Study, or Affected System Study.

IRS shall mean the Internal Revenue Service.

ISO or CAISO 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 Deliverability Application shall mean submittal to the CAISO of all information required for Interconnection Requests seeking Deliverability under the Cluster Study Process pursuant to Section 9.3 of the CAISO Tariff RIS.

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 and Deliverability Allocation Procedures (ISO Tariff RIS) shall mean the procedures included in 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. See also RIS.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customers and Distribution 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.

LGIA Deposit shall mean the deposit Interconnection Customer submits when returning the executed LGIA, or within ten (10) Business Days of requesting that the LGIA be filed

unexecuted at the Commission, in accordance with Section 1.6 and Section 5 of the GISP.

Local Deliverability Constraint shall mean a transmission system operating limit modeled in the RIS study process that would be exceeded if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Load Serving Entity shall mean the term used in the CAISO Tariff to denote any entity (or its duly designated agent) including a load aggregator or power marketer that (a) (i) serves end users within the CAISO Balancing Authority Area and (ii) has been granted authority or has an obligation pursuant to state or local law, regulation, or franchise to sell electric energy to end users located within the CAISO Balancing Authority Area; (b) (i) is an end user, (ii) has been granted authority pursuant to state or local law or regulation to serve its own load through the purchase of electric energy from an entity that does not qualify as a Load Serving Entity, and (iii) serves its own load through purchases of electric energy from an entity that does not qualify as a Load Serving Entity with respect to such purchases of electric energy, or (c) is a federal power marketing authority that serves end users.

Local Delivery Network Upgrade (LDNU) shall mean a transmission upgrade or addition identified by the CAISO in the RIS Interconnection Study Process to relieve a Local Deliverability Constraint.

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 Standard 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 an equal or later Queue Position.

Merchant Zone shall mean a Transmission Zone (as defined in the ISO Tariff) with less than 50 MW of available Deliverability before the Cluster Request Window, as determined by the CAISO.

Metering Equipment shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Standard 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.

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 Upgrades shall mean 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. See also: Area Delivery Network Upgrades; Delivery Network Upgrades; Local Delivery Network Upgrades; and Reliability Network Upgrades.

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

Operating Requirements shall mean any operating and technical requirements that may be applicable due to Regional Transmission Organization, California Independent System Operator, control area, or the Distribution Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

Operational Control shall mean the rights of the ISO under the Transmission Control

Agreement and the ISO Tariff to direct the parties to the Transmission Control Agreement how to operate their transmission lines and facilities and other electric plant affecting the reliability of those lines and facilities for the purpose of affording comparable non-discriminatory transmission access and meeting applicable reliability criteria.

Participating Transmission Owner shall mean an entity which (i) owns, operates, and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities; and (ii) has transferred to the ISO operational control of such facilities and/or entitlements to be made part of the ISO Grid.

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

Permissible Technological Advancements shall mean changes to Generating Facilities that do not require a new Interconnection Request, re-study, or other substantial evaluation because they have little or no potential to substantially change Generating Unit electrical characteristics or affect other Interconnection Customers or Affected Systems.

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

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

Pre-Construction Activities shall mean the actions by Distribution Provider, other than those required by an Letter Agreement under Section 7 of the GISP, undertaken prior to Construction Activities in order to prepare for the construction of 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 Distribution Provider’s Interconnection Facilities, Distribution Upgrades, or

Network Upgrades.

Proportional Impact Method shall mean a technical analysis conducted by Transmission Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.

Qualifying Capacity shall mean the maximum Resource Adequacy Capacity that a Resource Adequacy Resource may be eligible to provide. The criteria and methodology for calculating the Qualifying Capacity of resources may be established by the CPUC or other applicable Local Regulatory Authority and provided to the CAISO. A resource's eligibility to provide Resource Adequacy Capacity may be reduced below its Qualifying Capacity through the CAISO's assessment of Net Qualifying Capacity.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Section 1 of the WDT GISP. based upon the date and time of receipt of the valid Interconnection Request by the Distribution Provider and that is represented by a unique identifying code assigned to each Interconnection Request that is deemed complete.

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

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 a Generating Facility safely and reliably to the ISO Grid, which would not have been necessary but for the interconnection of the Generating Facility, including Network Upgrades necessary to remedy short circuit or stability problems resulting from the interconnection of the Generating Facility to the Distribution Provider's Distribution System. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a transmission path's WECC rating.

Resource Adequacy (RA) shall mean a mandatory planning and procurement process to ensure adequate resources to serve all customers in real time. The program requires that Load Serving Entities (LSEs) meet a Planning Reserve Margin for their obligations. The program provides deliverability criteria that each LSE must meet, as well as system and local capacity requirements. Rules are provided for "counting" resources towards meeting resource adequacy obligations. The resources that are counted for RA purposes must make themselves available to the California ISO for the capacity for which they were counted. The ISO's Interim Reliability Requirements Program and the resource adequacy under MRTU tariff provisions are intended to complement the State of California's efforts to implement resource adequacy programs.

Scoping Meeting shall mean the meeting between representatives of Interconnection Customer(s) and Distribution Provider conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Interconnection Study materials, and analyzing such information.

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 site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Distribution Provider will maintain acreage requirements for each Generating Facility type on its website.

Site Exclusivity is the third option to prove Site Control and applies only in instances when the Interconnection Customer has a business (private) or government agency (public) relationship with the project site’s deed holder.

(1) For private land, Site Exclusivity shall mean documentation reasonably demonstrating legal authorization from the land owner showing the Interconnection Customer has either (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, Site Exclusivity shall mean documentation from the governing public agency providing a final, non-appealable permit, license, or other exclusive legal right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility. Such documentation showing exclusive right to use public land under the management of a Local, State, or Federal agency shall be in a form specified by that agency.

Small Generating Facility shall mean a n 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, that has a generating capacity of 20 megawatts (MW) or less.

Smart Inverter shall mean a Generating Facility’s inverter that performs functions that when activated can autonomously contribute to grid support during excursions from normal operating voltage and frequency system conditions by providing dynamic reactive/real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands and other functions.

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both Distribution Provider and

Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If Distribution Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Distribution Provider must provide Interconnection Customer a written technical explanation outlining why Distribution Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within fifteen (15) Business Days of its determination.

Standard 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 Distribution Provider's Tariff.

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

Substation Network Upgrades shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Standard 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 Network Upgrades shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.

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

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

Transmission Control Agreement shall mean CAISO FERC Electric Tariff No. 7.

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 Standard Large Generator Interconnection Agreement to the extent necessary.

Transmission Plan (TP) Deliverability shall mean the capability, measured in MW, of the CAISO Grid as modified by transmission upgrades and additions modeled or identified in the annual Transmission Plan to support the interconnection with Full Capacity Deliverability Status or Partial Capacity Deliverability Status of additional Generating Facilities in a specified geographic or electrical area of the CAISO Grid.

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

Transmission Provider's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard 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 Control Agreement shall mean ISO FERC Electric Tariff No. 7.

Transmission System shall mean the facilities owned, controlled or @operated by Distribution 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. Also known as **Permission to Parallel for Test Purposes**.

Upgrades shall mean 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.

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 mean the penalty assessed by Distribution Provider to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from Distribution Provider’s interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of Withdrawal Penalty is set forth in section 9.1.1 of the GISP.

Wholesale Distribution Tariff Generator Interconnection Study Procedures (WDT GISP) shall mean the procedures included in the Distribution Provider’s Wholesale Distribution Tariff (WDT) to interconnect a Generating Facility directly to the Distribution Provider’s Distribution System, as such procedures may be modified from time to time and accepted by the Commission.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This LGIA shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC. Distribution Provider shall promptly file this LGIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. Subject to the provisions of Article 2.3, this LGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

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

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 applicable to such termination, including the filing with FERC of a notice of termination of this LGIA, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, 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, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of Distribution Provider's Interconnection Facilities that have not yet been constructed or installed, Distribution 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 Distribution Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Distribution Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Distribution Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Distribution Provider to cancel any pending orders of or return 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 Distribution Upgrades and Network Upgrades for which Distribution Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2 Distribution 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 Distribution 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 Distribution 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. Distribution 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 Distribution Provider with respect to such filing and to provide any information reasonably requested by Distribution Provider needed to comply with applicable regulatory requirements.

Article 4. Scope of Service

4.1 Interconnection Service. Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Distribution System and be eligible to deliver the Large Generating Facility's output using the capacity of the Distribution

System to the ISO Grid. To the extent Interconnection Customer wants to receive Interconnection Service, Distribution Provider shall construct facilities identified in Appendices A and C that the Distribution Provider is responsible to construct.

4.1.1 Distribution Service Implications. Interconnection Customer will be eligible to inject power from the Large Generating Facility into Distribution Provider's Distribution System pursuant to the Tariff. The Interconnection Customer may not deliver power over the Distribution Provider's Distribution System absent procuring Distribution Service. The Interconnection Customer must apply for Distribution Service pursuant to Section 15.2 of the Tariff and meet the conditions specified in Section 14 of the Tariff to be eligible for Distribution Service.

4.1.2 Transmission Service Implications. 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 the ISO Grid without incurring congestion costs. In the event of transmission constraints on the ISO Grid, Interconnection Customer's Large Generating Facility shall be subject to the applicable congestion management procedures in the ISO Tariff in the same manner as all other resources. The Interconnection Customer shall be solely responsible for completing all of the necessary arrangements required under the ISO Tariff to be eligible to schedule the output of its resource.

4.2 Provision of Service. Distribution 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 Distribution Provider or Distribution Owner, then that Party shall amend the LGIA and submit the

amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this LGIA does not constitute a request for, nor the provision of, any distribution delivery service under Distribution 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.

4.6 **TP Deliverability.** To the extent that an Interconnection Customer is eligible for and has been allocated TP Deliverability pursuant to Section 8.9 of the RIS, the Interconnection Customer's retention of such allocated TP Deliverability shall be contingent upon satisfying the obligations set forth in Section 8.9.3 of the RIS. In the event that the Interconnection does not retain allocated TP Deliverability with regard to any portion of the Generating Facility, such portion of the Generating Facility shall be deemed to receive Interconnection Service under this LGIA as Energy Only Deliverability Status.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

Interconnection Facilities, Network Upgrades, and Distribution Upgrades shall be studied, designed, and constructed pursuant to Good Utility Practice. Such studies, design and construction shall be based on the assumed accuracy and completeness of all technical information received by the Participating TO and the CAISO from the Interconnection Customer associated with interconnecting the Large Generating Facility.

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 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 Distribution Provider, Distribution 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 Distribution Provider, Interconnection Customer shall notify Distribution 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. Distribution Provider shall design, procure, and construct Distribution Provider's Interconnection Facilities, and Network Upgrades, using Reasonable Efforts to complete Distribution Provider's Interconnection Facilities, and Network Upgrades by the dates set forth in Appendix B, Milestones. Distribution 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 Distribution Provider reasonably expects that it will not be able to complete Distribution Provider's Interconnection Facilities, and Network Upgrades by the specified dates, Distribution Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option. If the dates designated by Interconnection Customer are acceptable to Distribution Provider, Distribution Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities by the designated dates. If Distribution Provider subsequently fails to complete Distribution Provider's Interconnection Facilities and by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to

complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; Distribution Provider shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the applicable RTO or ISO refuses to grant clearances to install equipment.

5.1.3 Option to Build. Individual or Multiple Interconnection Customers shall have the option to assume responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2. if the requirements of this Article 5.1.3 are met. When multiple Interconnection Customers exercise this option, multiple Interconnection Customers may agree to exercise this option provided (1) all Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades constructed under this option are only required for Interconnection Customers in a single Cluster and (2) all impacted Interconnection Customers execute and provide to Transmission Provider an agreement regarding responsibilities, and payment for, the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades planned to be built under this option. Distribution Provider and the individual Interconnection Customer or each of the multiple 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 Distribution 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 Distribution Provider's Interconnection

Facilities and Stand Alone Network Upgrades if 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), Distribution Provider shall assume responsibility for the design, procurement and construction of all facilities other than Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades if 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 Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades,

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

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

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

(4) prior to commencement of construction, Interconnection Customer shall provide to Distribution Provider a schedule for construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Distribution Provider;

(5) at any time during construction, Distribution Provider shall have the right to gain

unrestricted access to Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

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

(7) Interconnection Customer shall indemnify Distribution Provider for claims arising from Interconnection Customer's construction of Distribution 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 Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades to Distribution Provider;

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

(10) Distribution Provider shall approve and accept for operation and maintenance Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

(11) Interconnection Customer shall deliver to Distribution Provider "as-built" drawings, information, and any other documents that are reasonably required by Distribution Provider to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Distribution Provider.

(12) If Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3, Interconnection Customer shall pay Distribution Provider the agreed upon amount of [$ PLACEHOLDER] for Distribution Provider to execute the responsibilities enumerated to

Distribution Provider under Article 5.2. Distribution 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 Distribution Provider's Interconnection Facilities, or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Distribution Provider pursuant to subparagraphs 5.1.2 or 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 Distribution Provider to Interconnection Customer in the event that Distribution Provider does not complete any portion of Distribution Provider's Interconnection Facilities, or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of Distribution Provider's Interconnection Facilities, and Network Upgrades, in the aggregate, for which Distribution 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 Distribution Provider's Interconnection Facilities, and Network Upgrades for which Distribution Provider has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution Provider's delay; (2) Distribution 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 Distribution Provider, or any cause beyond Distribution Provider's reasonable control or reasonable ability to cure; (3) Interconnection Customer has assumed responsibility for the design, procurement and construction of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades; or (4) the Parties have otherwise agreed.

5.4 **Power System Stabilizers.** Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the Electric Reliability Organization. Distribution 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 Distribution Provider 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 Distribution Provider's Interconnection Facilities, or Network Upgrades is to be borne by Distribution Provider, then Distribution Provider shall commence design of Distribution 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 Distribution Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

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

5.6 Construction Commencement. Distribution Provider shall commence construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades;

5.6.3 Distribution 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 Distribution 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 Distribution Provider’s Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Distribution Provider of such later date upon which the completion of Distribution 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 Distribution Provider's Distribution 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 Distribution 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, Distribution 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 Distribution Provider's Interconnection Facilities, or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this LGIA. Distribution 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.

5.10 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 Distribution 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. Distribution Provider shall review such specifications to ensure that the ICIF are compatible with the technical

specifications, operational control, and safety requirements of Distribution 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 Distribution Provider's Review. Distribution 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 Distribution Provider, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Distribution 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 Distribution 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. Interconnection Customer shall provide Distribution Provider specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Interconnection Customer to Meet Requirements of the Distribution Provider's Interconnection Handbook. The Interconnection Customer shall

comply with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of this LGIA and the terms of the Distribution Provider's Interconnection Handbook, the terms in this LGIA shall govern.

5.11 Distribution Provider's Interconnection Facilities Construction. Distribution 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, Distribution Provider shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Distribution Provider's Interconnection Facilities. {include appropriate drawings and relay diagrams}.

Distribution Provider will obtain control of Distribution Provider's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities. Pursuant to Article 5.2, the Distribution Provider will obtain Operational Control of the Stand Alone Network Upgrades prior to the Commercial Operation Date.

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 Distribution System; (ii) operate and maintain the Large Generating Facility, the Interconnection Facilities and the Distribution 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 Distribution Provider or Distribution Owner's Interconnection Facilities, Distribution Upgrades, and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Distribution Provider or Distribution Owner, Distribution Provider or Distribution 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 Distribution Provider or Distribution Owner's Interconnection Facilities, Distribution Upgrades, and/or Network Upgrades upon such property.

5.14 Permits. Distribution Provider or Distribution 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, Distribution Provider or Distribution Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Distribution Provider’s own, or an Affiliate’s generation.

5.15 Early Construction of Base Case Facilities. Interconnection Customer may request Distribution Provider to construct, and Distribution Provider shall construct, using Reasonable Efforts to accommodate Interconnection Customer's In-Service Date, all or any portion of any Distribution Upgrades or Network Upgrades required for Interconnection Customer to be interconnected to the Distribution 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 Distribution Provider, to suspend at any time all work by Distribution Provider associated with the construction and installation of Distribution Provider’s Interconnection

Facilities, Distribution Upgrades, and/or Network Upgrades required under this LGIA with the condition that Distribution System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Distribution Provider's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Distribution 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 Distribution System and 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 Distribution Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Distribution Provider shall obtain Interconnection Customer's authorization to do so.

Distribution Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Distribution Provider required under this LGIA pursuant to this Article 5.16, and has not requested Distribution 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 Distribution Provider, if no effective date is specified.

5.17 Taxes.

5.17.1 Interconnection Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Interconnection Customer to Distribution Provider for the installation of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 Distribution System; (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to Distribution Provider for Distribution 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 Distribution 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 Distribution Provider's request, Interconnection Customer shall provide Distribution Provider with a report from an independent engineer confirming its representation in clause (iii), above. Distribution Provider represents and covenants that the cost of Distribution 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 Distribution Provider. Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Distribution Provider from the cost consequences of any current tax liability imposed against Distribution Provider as the result of payments or property transfers made by Interconnection Customer to Distribution Provider under this LGIA for Interconnection Facilities,

as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Distribution Provider.

Distribution 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) Distribution Provider has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Distribution Provider should be reported as income subject to taxation; or (ii) any Governmental Authority directs Distribution Provider to report payments or property as income subject to taxation; provided, however, that Distribution Provider may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution Provider, in addition to the amount paid for the Interconnection Facilities, Distribution Upgrades, and Network Upgrades, an amount equal to (1) the current

taxes imposed on Distribution Provider ("Current Taxes") on the excess of (a) the gross income realized by Distribution Provider as a result of payments or property transfers made by Interconnection Customer to Distribution 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 Distribution 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 Distribution Provider's composite federal and state tax rates at the time the payments or property transfers are received and Distribution 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 Distribution Provider's anticipated tax depreciation deductions as a result of such payments or property transfers by Distribution Provider's current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Distribution Owner pursuant to this Article 5.17.4 can be expressed as follows: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1-Current Tax Rate). Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Interconnection Customer's request and expense, Distribution 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 Distribution 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. Distribution Provider and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Distribution 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. Distribution 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 Distribution 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, Distribution Upgrades, and Network Upgrades, Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Distribution 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 Distribution Provider's receipt of payments or property constitutes income that is subject to taxation, Distribution 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, Distribution Provider

may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Distribution 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. Distribution 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 Distribution 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 Distribution Provider on a periodic basis, as invoiced by Distribution Provider, Distribution Provider's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Distribution Provider may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally recognized tax counsel, selected by Distribution 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 Distribution 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 Distribution Provider which holds that any amount paid or the value of any property

transferred by Interconnection Customer to Distribution 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 Distribution Provider in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Distribution Provider under the terms of this LGIA is not taxable to Distribution Provider; (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Distribution Provider are not subject to federal income tax; or (d) if Distribution 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 Distribution Provider pursuant to this LGIA, Distribution 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, together with interest thereon;

(ii) interest on any amounts paid by Interconnection Customer to Distribution Provider for such taxes which Distribution 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 Distribution Provider refunds such payment to Interconnection Customer; and

(iii) with respect to any such taxes paid by Distribution Provider, any refund or credit Distribution 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 Distribution Provider for such overpayment of taxes (including any reduction in interest otherwise payable by Distribution Provider to any

Governmental Authority resulting from an offset or credit); provided, however, that Distribution Provider will remit such amount promptly to Interconnection Customer only after and to the extent that Distribution Provider has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to Distribution 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, Distribution Upgrades, 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, Distribution Provider may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Distribution Provider for which Interconnection Customer may be required to reimburse Distribution Provider under the terms of this LGIA. Interconnection Customer shall pay to Distribution Provider on a periodic basis, as invoiced by Distribution Provider, Distribution Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Distribution 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 Distribution 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 Distribution Provider.

5.17.10 Distribution Owners Who Are Not Distribution Providers. If Distribution Provider is not the same entity as the Distribution Owner, then (i) all references in

this Article 5.17 to Distribution Provider shall be deemed also to refer to and to include the Distribution Owner, as appropriate; and (ii) this LGIA shall not become effective until such Distribution Owner shall have agreed in writing to assume all of the duties and obligations of Distribution 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 Distribution Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

5.19 Modification.

5.19.1 General. 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, Distribution 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 Distribution System, Distribution Provider's Interconnection Facilities, Distribution Upgrades,

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 Distribution Provider makes to Distribution Provider's Interconnection Facilities or the Distribution System to facilitate the interconnection of a third party to Distribution Provider's Interconnection Facilities or the Distribution System, or to provide transmission service to a third party under Distribution 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, Distribution Provider shall test Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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 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 Distribution 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 Electric Reliability Organization requirements. The Interconnection Customer shall comply with the provisions of the ISO Tariff regarding metering, including Section 10 and the Metering Protocol of the ISO Tariff. Unless otherwise agreed by the Parties, Transmission Provider and Distribution 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 Distribution Provider's option, compensated to, the Point of Interconnection. Distribution 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 Distribution 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 Distribution 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. Distribution Provider shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Distribution Provider Retail Metering. Distribution Provider may install retail revenue quality meters and associated equipment, pursuant to the Distribution Provider's applicable retail tariffs.

7.5 Metering Data. At Interconnection Customer's expense, the metered data shall be telemetered to one or more locations designated by Distribution 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 Distribution Provider's Distribution System

dispatcher or representative designated by Distribution 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 Distribution 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 Distribution 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 Distribution Provider at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Distribution 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 Distribution Provider. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Distribution Provider.

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. Interconnection Customer whose Generating Facility contains at least one Variable Energy Resource shall provide meteorological and forced outage data to Distribution Provider to the extent necessary for Distribution Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide Distribution Provider with site-specific meteorological data including: temperature, wind speed, wind direction, and atmospheric pressure. Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide Distribution Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. Distribution Provider and Interconnection Customer whose Generating Facility contains 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. Interconnection Customer whose Generating Facility contains a Variable Energy Resource also shall submit data to Distribution Provider regarding all forced outages to the extent necessary for Distribution 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 Interconnection Customer to Distribution 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 Distribution 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 Electric Reliability Organization 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 Balancing Authority Area Notification. At least three months before Initial Synchronization Date, Interconnection Customer shall notify Distribution Provider in writing of the Balancing Authority Area in which the Large Generating Facility will be located. If Interconnection Customer elects to locate the Large Generating Facility in a Balancing Authority Area other than the Balancing Authority 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 Balancing Authority 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 Balancing Authority Area.

9.3 Distribution Provider Obligations. Distribution Provider shall cause the Distribution System and Distribution Provider's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this LGIA. Distribution Provider may provide operating instructions to Interconnection Customer consistent with this LGIA and Distribution Provider's operating protocols and procedures as they may change from time to time. Distribution 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 Balancing Authority 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.

Any requests by the Interconnection Customer during the interconnection construction process, or following receipt of the Permission to Operate authorization, for the Distribution Provider to review Interconnection Customer-proposed modification(s) of the operating parameters of this facility must be accompanied by updates to the models originally submitted for this facility as part of Attachment 2 of the GISP.

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 Distribution Provider's Distribution 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 Distribution Provider has established different requirements that apply to all synchronous generators in the Balancing Authority 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 Distribution Provider has established a different power factor range that applies to all non-synchronous generators in the Balancing Authority 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 Distribution System, Distribution 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). Distribution Provider's voltage schedules shall treat all sources of reactive power in the Balancing Authority Area in an equitable and not unduly discriminatory manner. Distribution 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 Distribution System and 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 Distribution Provider and the CAISO.

9.6.2.1 Voltage Regulators. Whenever the Large Generating Facility is operated in

parallel with the Distribution System and 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 Distribution Provider 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 Distribution 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 Balancing Authority Area on a comparable basis.

9.6.3 Payment for Reactive Power. Distribution Provider is required to Pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Large Generating Facility when the Distribution Provider requests Interconnection Customer to operate its Large Generating Facility outside the range specified in Article 9.6.1 provided that if Distribution 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 Electric Reliability Organization 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 an approved Electric Reliability Organization 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 Electric Reliability Organization 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 Articles 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 Electric Reliability Organization 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 Articles 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 Article 9.6.4, but shall be otherwise exempt from the operating requirements in Articles 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 a Generating Facility that contains 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 Articles 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 Article 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 underfrequency 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. Distribution 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 Distribution Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its planned maintenance schedules, as necessary. Distribution Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Distribution System and Transmission System.; provided, however, adequacy of generation supply shall not be a criterion in determining Distribution System and Transmission System reliability. Distribution Provider shall compensate Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Distribution 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. Distribution Provider shall have no obligation to pay Interconnection Customer any costs the Interconnection Customer incurs as the result of being directed by the ISO to reschedule maintenance.

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, Distribution Provider may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Distribution Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Distribution System and 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 Distribution System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Distribution 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, Distribution Provider shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Distribution 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 Distribution 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 Distribution System and Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Ride Through Capability and Performance. The Transmission or Distribution System is designed to automatically activate a load-shed program as required by the Electric Reliability Organization in the event of an underfrequency system disturbance. The Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the Electric Reliability Organization to ensure frequency “ride through” capability of the Transmission or Distribution 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 Distribution Provider in accordance with Good Utility Practice. Interconnection Customer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by the Electric Reliability Organization to ensure voltage "ride through" capability of the Transmission or Distribution System. The term "ride through" as used herein shall mean the ability of a Large Generating Facility to stay connected to and synchronized with the Transmission or Distribution system during system disturbances within a range of under-frequency, over-frequency*, under-voltage, and over-voltage* conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority area on a comparable basis. For abnormal frequency conditions and voltage conditions within the "no trip zone" defined by Reliability Standard PRC-024-3 or successor mandatory ride through reliability standards, the non-synchronous Large Generating Facility must ensure that, within any physical limitations of the Large Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response

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. Distribution Provider shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Distribution Provider's Interconnection Facilities, Distribution System, 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. and, if applicable, the requirements of the Distribution Provider's Interconnection Handbook.

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, however, require that all protective relays and lockout

contacts be activated.

9.7.5 Requirements for Protection. In compliance with Good Utility Practice and, if applicable, the requirements of the Distribution Provider's Interconnection Handbook, 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 Distribution System not otherwise isolated by Distribution Provider's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution 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 Distribution Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

9.10 Disturbance Analysis Data Exchange. The Parties will cooperate with one another in the analysis of disturbances to either the Large Generating Facility or Distribution Provider’s Distribution System and 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 Distribution Provider Obligations. Distribution Provider shall maintain the Distribution System, Transmission System and Distribution 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 Distribution 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 Distribution Provider's Interconnection Facilities. Distribution Provider or Distribution Owner shall design, procure, construct, install, own and/or control Distribution Provider's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of Interconnection Customer.

11.3 Network Upgrades and Distribution Upgrades. Distribution Provider or Distribution 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. Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless Distribution Provider or Distribution Owner elects to fund the capital for the Distribution Upgrades and Network Upgrades, they shall be solely funded by Interconnection Customer.

11.4 Transmission Credits.

11.4.1 Repayment of Amounts Advanced for Network Upgrades.

Interconnection Customer shall be entitled to a cash repayment, equal to the total

amount paid to Distribution Provider and Affected System Operator, if any, for the Network Upgrades, including any tax gross-up or other tax-related payments associated with Network Upgrades and not refunded to Interconnection Customer pursuant to Article 5.17.8 or otherwise, to be paid to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under Distribution Provider's Tariff and Affected System's Tariff for transmission services with respect to the Large Generating Facility.

Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interconnection Customer may assign such repayment rights to any person.

Notwithstanding the foregoing, Interconnection Customer, Distribution Provider, and Affected System Operator may adopt any alternative payment schedule that is mutually agreeable so long as Distribution Provider and Affected System Operator take one of the following actions no later than five years from the Commercial Operation Date: (1) return to Interconnection Customer any amounts advanced for Network Upgrades not previously repaid; or (2) declare in writing that Distribution Provider or Affected System Operator will continue to provide payments to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the Commercial Operation Date.

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, Distribution Provider and Affected System Operator shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, Interconnection Customer, or the entity that ultimately constructs the Generating Facility, if different, is responsible for identifying the entity to which reimbursement must be made.

11.4.2 Special Provisions for Affected Systems. Unless Distribution Provider provides, under the LGIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.4.3 Notwithstanding any other provision of this LGIA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that Interconnection Customer, shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Large Generating Facility.

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 Distribution Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Distribution Provider, at Interconnection Customer's option, a guarantee, letter of credit, or other form of security that is reasonably acceptable to Distribution Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment as specified in Appendix B of this LGIA, shall be in an amount sufficient to

cover the costs for constructing, procuring and installing the applicable portion of Distribution Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Distribution Provider for these purposes. Distribution Provider must use the LGIA Deposit required in Section 11.3 of the GISP before requiring Interconnection Customer to submit security in addition to that LGIA Deposit. Transmission Provider must specify, in Appendix B of this LGIA, the dates for which Interconnection Customer must provide additional security for construction of each discrete portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and Interconnection Customer must provide such additional security.

In addition:

11.5.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Distribution 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 Distribution Provider and must specify a reasonable expiration date.

11.6 Responsibility for any Outstanding Interconnection Study Costs. The Interconnection Customer must complete payment on all outstanding invoiced interconnection study costs no later than the financial security posting milestone date negotiated in Appendix B of this Agreement. Study costs not yet invoiced within thirty (30) Calendar Days of that financial security posting deadline must be paid by the Interconnection Customer within thirty (30) Calendar Days of the date of the invoice once they are invoiced to the Interconnection Customer.

Failure to complete payment on these interconnection study invoices by these deadlines will constitute Default on this Agreement by the Interconnection Customer, subject to the terms of Article 17 “Default”.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition. Distribution 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 Distribution 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 or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice. Within twelve months after completion of the construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and the Network Upgrades Distribution Provider shall provide an invoice of the final cost of the construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, 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. Distribution 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 Distribution Provider and Interconnection Customer, Distribution 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 Distribution Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Distribution 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 accord with the methodology set forth in FERC's regulations at 18 CFR § 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 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 the Distribution System, Distribution Provider's Interconnection Facilities or the Transmission Systems of others to which the Distribution 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, the Electric Reliability Organization, Applicable Laws and

Regulations, and any emergency procedures set forth in this LGIA

13.3 Notice. Distribution Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Distribution Provider's Interconnection Facilities, Distribution System 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 Distribution 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 Distribution System, Transmission System or Distribution 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 Distribution 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 Distribution 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 Distribution Provider or otherwise regarding the Distribution System.

13.5 Distribution Provider Authority.

13.5.1 General. Distribution Provider may take whatever actions or inactions with regard to the Distribution System and Transmission System or Distribution 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 Distribution System and Transmission System or Distribution Provider's Interconnection Facilities; (iii) limit or prevent damage; and (iv)

expedite restoration of service.

Distribution 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. Distribution 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 Distribution 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. Distribution 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 the Distribution Provider pursuant to the Distribution Provider's Tariff. When Distribution Provider can schedule the reduction or disconnection in advance, Distribution Provider shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Distribution 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

Distribution 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 Distribution 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 GISP, 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 Distribution System and Distribution Provider's Interconnection Facilities. Distribution 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 GIA, 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 the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

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 Economic hardship is not considered a Force Majeure event.

16.1.2 Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

Article 17. Default

17.1. Default

17.1.1 General. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of an Force Majeure as defined in this LGIA or the result of an act of omission or 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.

17.2 Violation of Operating Assumptions for Generating Facilities. If Distribution Provider requires Interconnection Customer to memorialize the operating assumptions for the charging behavior of a Generating Facility that includes at least one electric storage resource in Appendix H of this LGIA, Distribution Provider may consider Interconnection Customer to be in Breach of the LGIA if Interconnection Customer fails to operate the Generating Facility in accordance with those operating assumptions for charging behavior. However, if Interconnection Customer operates contrary to the operating assumptions for charging behavior specified in Appendix H of this LGIA at the direction of Distribution Provider, Distribution Provider shall not consider Interconnection Customer in Breach of this LGIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating

to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions of its obligations under this LGIA on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

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

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

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

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to

the Indemnifying Party, the Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Person or Indemnified Persons having such differing or additional legal defenses.

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

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall 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, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Each party shall, at its own expense, maintain in force throughout the period of this LGIA, and until released by the other Party, the following minimum insurance

coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars ($1,000,000) per occurrence/One Million Dollars ($1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence/Twenty Million Dollars ($20,000,000) aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors,

officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this LGIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this LGIA.

18.3.9 Within ten (10) Business Days following execution of this LGIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, each Party shall provide certification of all insurance required in this LGIA, executed by each insurer or by an authorized representative of each insurer.

18.3.10 Notwithstanding the foregoing, each Party may self-insure to meet the minimum

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

18.3.11 The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this 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 Distribution Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Distribution 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 Distribution Provider of the date and particulars of any such exercise of assignment right(s), including providing Distribution 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.

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 Distribution Provider) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or 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 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 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 Balancing Authority 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.

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.** Distribution 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 Distribution Provider.** The initial information submission by Distribution Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Distribution System and 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 Distribution Provider shall provide Interconnection Customer a status report on the construction and installation of Distribution Provider's

Interconnection Facilities, Distribution Upgrades, 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 GISP. It shall also include any additional information provided to Distribution 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 Distribution 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 Distribution Provider pursuant to the Interconnection Study Agreement between Distribution Provider and Interconnection Customer, then Distribution Provider will conduct appropriate studies to determine the impact on Distribution Provider Distribution System and Transmission System based on the actual data submitted pursuant to this Article 24.3. Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation. Prior to the Trial 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. 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 Distribution Provider for each individual generating unit in a station. Subsequent to the Commercial Operation Date, Interconnection Customer shall provide Distribution Provider any information changes due to equipment replacement, repair, or adjustment. Distribution Provider shall provide Interconnection Customer any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Distribution 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-Uncontrollable Force 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 an 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, Distribution Provider's efforts to allocate responsibility for the provision of reactive support to the Distribution System, Distribution Provider's efforts to allocate responsibility for interruption or reduction of generation on the Distribution 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 Distribution Provider's Interconnection Facilities, Distribution

Upgrades, and Network Upgrades shall be subject to audit for a period of twenty-four months following Distribution 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 Distribution 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 this LGIA or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the 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.

27.2 External Arbitration Procedures. Any arbitration initiated under this LGIA 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") and any applicable FERC regulations ; 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 this LGIA and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

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 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 the

corporate 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).

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. [Reserved]

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 GISP or such Appendix to the GISP, 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 Distribution 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 two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

30.9 Amendment. The Parties may by mutual agreement amend this 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 a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this LGIA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights. Distribution Provider shall have the right to make a unilateral filing with FERC to modify this LGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this LGIA pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this LGIA shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

30.12 No Partnership. This 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.

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

By: _____

Name: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Name: _____

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 Distribution Provider's Interconnection Facilities]:

2. Network Upgrades:

(a) [insert Stand Alone Network Upgrades]:

(b) [insert Substation Network Upgrades]:

(c) [insert System Network Upgrades]:

3. Distribution Upgrades:

Appendix B to LGIA

Milestones

Site Control -- Interconnection Customer with qualifying regulatory limitations must have and maintain 100% site control for the duration of this project. Failure to do so and/or failure to notify Distribution Provider within ten (10) Business Days of it lapsing may result in the project being withdrawn and the LGIA being terminated per Article 17 (Default) of this LGIA, and the Interconnection Customer may be subject to Withdrawal Penalties per Section 5.2.1 of the Wholesale Distribution Tariff Attachment K "Generator Interconnection Study Procedures" (Withdrawal Penalties). Interconnection Customer with qualifying regulatory limitations must demonstrate 100% Site Control by {insert date 180 Calendar Days from LGIA effective date} or LGIA may be terminated per Article 2.3 and subject to withdrawal penalties under GISP section 5.2.1.

Appendix C to LGIA

Interconnection Details

Any requests by the Interconnection Customer during the interconnection construction process, or following receipt of the Permission to Operate authorization, for the Distribution Provider to review Interconnection Customer-proposed modification(s) of the operating parameters of this facility must be accompanied by updates to the models originally submitted for this facility as part of Attachment 2 of the GISP.

Appendix D to LGIA

Security Arrangements Details

Infrastructure security of Distribution System and Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Distribution System reliability and operational security. FERC will expect, all Distribution Providers, market participants, and Interconnection Customers interconnected to the Distribution System and 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 Distribution Provider and Interconnection Customer.

[Date]

[Distribution 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:

Distribution Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Distribution Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Distribution Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Appendix G to LGIA

INTERCONNECTION REQUIREMENTS FOR A WIND GENERATING PLANT

Appendix G sets forth requirements and provisions specific to a wind generating plant or a Generating Facility that contains a wind generating plant. All other requirements of this LGIA continue to apply to wind generating plant interconnections.

A. Technical Standards Applicable to a Wind Generating Plant

i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

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

1. Wind generating plants are required to remain in-service during three- phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by Distribution Provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating

plant step-up transformer (i.e. the transformer that steps the voltage up to the interconnection voltage or "GSU"), after which, if the fault remains following the location-specific normal clearing time for three phase faults, the wind generating plant may disconnect from the electric system.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected 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.

Post-transition Period LVRT Standard

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

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the Distribution Provider. The

maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the distribution system. A wind generating plant shall remain interconnected during such a fault on the distribution system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.

5Existing 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.

ii. 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 of the Final Rule establishing the reactive power requirements for non-synchronous generators in Article 9.6.1 of this LGIA (Order No. 827). A wind 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 Distribution 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 606 (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by Distribution Provider, or a combination of the two. Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the Cluster Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from Distribution Provider to protect system reliability. Distribution Provider and the wind plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and distribution system reliability in its area.

Appendix H to LGIA

Operating Assumptions for Generating Facility

Check box if applicable [ ]

Operating Assumptions:

{insert operating assumptions that reflect the charging behavior of the Generating Facility that includes at least one electric storage resource}.