

ATTACHMENT H TO THE TARIFF

**GENERATOR
INTERCONNECTION PROCEDURES (GIP)**

2026 COMPLIANCE FILING REDLINES

Attachment H: Generator Interconnection Procedures (GIP)

TABLE OF CONTENTS

<u>SECTION 1.</u>	<u>Application</u>
1.1	<u>Applicability</u>
1.2	<u>Pre-Application</u>
1.3	<u>Interconnection Requests</u>
1.3.1	<u>General</u>
1.4	<u>Modification of the Interconnection Request</u>
1.5	<u>Site Control</u>
1.6	<u>Interconnection Service and Studies</u>
1.6.1	<u>The Product</u>
1.6.2	<u>No Applicability to Transmission Service or Distribution Service.</u>
1.6.3	<u>The Interconnection Studies</u>
1.6.3.1	<u>The Cluster Studies</u>
1.6.3.2	<u>The Reassessment</u>
1.6.3.3	<u>The Interconnection Facilities Study</u>
1.6.3.4	<u>Update Following TP Deliverability Allocation Process</u>
1.6.4	<u>Roles and Responsibilities</u>
1.6.4.34	<u>Delegation of Responsibility</u>
1.7	<u>Inverter Functions that Distribution Provider May Require</u>
1.8	<u>Base Case Data</u>
1.9	<u>Transferability of Interconnection Request</u>
1.10	<u>Withdrawal</u>
1.10.1	<u>Withdrawal Penalty</u>
1.10.2	<u>For Interconnection Requests in the Fast Track Process</u>
1.10.3	<u>Calculation of Withdrawal Penalty</u>
1.11	<u>Penalties for Failure to Meet Study Deadlines</u>
<u>SECTION 2.</u>	<u>Fast Track Process</u>
2.1	<u>Applicability</u>
2.2	<u>Timing for Submitting Interconnection Requests</u>
2.3	<u>Interconnection Request</u>
2.3.1	<u>Acknowledgement of Interconnection Request</u>
2.3.2	<u>Validation of Interconnection Request and Deficiencies</u>
2.3.3	<u>Assignment of Queue Position</u>
2.4.	<u>Documentation of Site Control</u>
2.5	<u>Initial Review</u>
2.5.1	<u>Screens.</u>
2.5.2	<u>Passes Screens.</u>
2.5.3	<u>Fails Screens.</u>
2.5.4	<u>Fails Screens; Minor Modifications or Further Study.</u>
2.6	<u>Customer Options Meeting</u>
2.6.1	<u>Offer to Perform Facility Modifications or Minor</u>

- Modifications.
- 2.6.2 Offer to Perform Supplemental Review.
- 2.6.3 Options.
- 2.6.4 When to Move to Cluster Study Process.
- 2.7 Supplemental Review
 - 2.7.4.1 Minimum Load Screen
 - 2.7.4.2 Voltage and Power Quality Screen
 - 2.7.4.3 Safety and Reliability Screen
- 2.8 Optional Supplemental Review Results Meeting
- 2.9 Generator Interconnection Agreement ~~for the Fast Track Process~~
 - 2.9.1 Tender
 - 2.9.12 Tender, Cost Estimate Not Necessary
 - 2.9.23 Tender, Cost Estimate Necessary
- 2.10 GIA Negotiation
- 2.11 Final GIA
- 2.12 GIA Execution and Filing of GIA

SECTION 3. Intentionally Omitted

SECTION 4. Cluster Study Process

- 4.1 Timing for Submitting Interconnection Requests Into the Cluster Application Window
- 4.2 Processing of Interconnection Request
 - 4.2.1 Initiating an Interconnection Request.
 - 4.2.1.1 Interconnection Study Deposit
 - 4.2.1.2 Obligation for Study Costs
 - 4.5.1.3 Site Control and Site Control Deposit
 - 4.5.1.4 Proposed Commercial Operation Date
 - 4.5.1.5 Third Party Interconnection Facilities
 - 4.2.2 Acknowledgement of Interconnection Request
 - 4.2.3 Customer Engagement Window Activities, including
 - Validation of Interconnection Request and Scoping Meeting
 - 4.2.3.1 Validation Process
 - 4.2.3.2 Deficiencies in Interconnection Request
 - 4.2.4 Day-for-day Extensions
- 4.3 Cluster Study Scoping Meeting
 - 4.3.1 Timing.
 - 4.3.2 Purpose.
 - 4.3.3 Confidentiality and Non-disclosure Agreement
- 4.4 Cluster Study Agreement
 - 4.4.1 Execution of Cluster Study Agreement
- 4.5 The Cluster Study
 - 4.5.1 Assignment of Queue Position
 - 4.5.2 Higher Queue Position
 - 4.5.2.1 Subgroups
 - 4.5.3 Scope and Purpose of the Cluster Study.
 - 4.5.4 Identification and Cost Allocation Methods for Network Upgrades and Distribution Upgrades in a Cluster Study.
 - 4.5.4.1 Reliability Network Upgrades
 - 4.5.4.2 Delivery Network Upgrades

- 4.5.4.3 Distribution Upgrades
- 4.5.5 Not used. Cost Allocation for Distribution Provider Interconnection Facilities
- 4.5.6 Cluster Study Procedures.
- 4.5.7 Cluster Study Results Meeting.
 - 4.5.7.1 Not Used
 - 4.5.7.2 Modifications
 - 4.5.7.3 Not Used
- 4.5.7.4 Revisions and Addenda to Final Interconnection Study Report
- 4.6 Reassessment, Cluster Restudy and Activities in Preparation for the Interconnection Facilities Study
 - 4.6.1 Full/Partial Capacity Deliverability Options for Interconnection Customers
 - 4.6.2 Reassessment Process
 - 4.6.3 Cluster Study Restudy
 - 4.6.6 Reassessment for Option (B) Customers Generating Facilities
 - 4.6.7 Application of Withdrawal Penalties and Forfeited Amounts from Refundable Deposits
- 4.7 Interconnection Facilities Study and CAISO TP Deliverability Allocation Process
 - 4.7.1 Interconnection Facilities Study Agreement
 - 4.7.2 Scope of the Interconnection Facilities Study
 - 4.7.3 Interconnection Facilities Study Procedures
 - 4.7.4 Cost Responsibility for Distribution Upgrades
 - 4.7.5 Cost Responsibility for Network Upgrades
 - 4.7.5.1 Financing of Cost Responsibility for Reliability Network Upgrades
 - 4.7.5.2 Cost Responsibility for Delivery Network Upgrades
 - 4.7.6 Distribution Provider Interconnection Facilities
 - 4.7.76 Interconnection Facilities Restudy
 - 4.7.87 Results Meeting with Distribution Provider and CAISO
 - 4.7.98 CAISO Allocation Process for TP Deliverability
- 4.8 Not Used
- 4.9. Generator Interconnection Agreement for the Cluster Study Process
 - 4.9.1 Tender
 - 4.9.2 Negotiation
 - 4.9.3 Delay in GIA Execution, or Filing Unexecuted, to Await Affected System Study Report
 - 4.9.4 GIA Execution and Filing of GIA, GIA Deposit
- 4.10 Transition Issues
 - 4.10.1 Transition Issues Applicable to Active Interconnection Requests in the Cluster Study Process
 - 4.10.2 Transition Issues Applicable to Active Interconnection Requests in the Independent Study Process
 - 4.10.3 Transition Issues Applicable to Active Interconnection Requests in the Fast Track Process

<u>SECTION 5.</u>	<u>Under 10 kW Inverter Process</u>
5.1	<u>Applicability of Under 10 kW Inverter Process</u>
5.2	<u>Timing For Submitting Interconnection Requests</u>
<u>SECTION 6.</u>	<u>Provisions that Apply to All Interconnection Requests</u>
6.1	<u>Reasonable Efforts</u>
6.1.1	<u>Notice</u>
6.2	<u>Disputes</u>
6.3	<u>Interconnection Metering</u>
6.4	<u>Commissioning</u>
6.5	<u>Confidentiality</u>
6.5.1	<u>Scope</u>
6.5.2	<u>Release of Confidential Information</u>
6.5.3	<u>Rights</u>
6.5.4	<u>No Warranties</u>
6.5.5	<u>Standard of Care</u>
6.5.6	<u>Order of Disclosure</u>
6.5.7	<u>Remedies</u>
6.5.8	<u>Disclosure to FERC, Its Staff, or a State</u>
6.6	<u>Comparability</u>
6.7	<u>Record Retention</u>
6.8	<u>Interaction between this GIP and Rule 21</u>
6.8.1	<u>Rule 21 Interconnection Requests and One-time Election of WDAT GIA</u>
6.8.2	<u>Rule 21 Interconnection Requests under the Cluster Study Process</u>
6.9	<u>Commencement of Interconnection Activities</u>
6.10	<u>Interconnection Customer To Meet Requirements of Distribution Provider's Interconnection Handbook</u>
6.11	<u>Internet Posting</u>
6.12	<u>Record Retention</u>
6.13	<u>Coordination with Affected Systems</u>
6.13.1	<u>Initial Notification of identification as Affected System</u>
6.13.2	<u>Notification of Cluster Restudy</u>
6.13.3	<u>Notification of Cluster Restudy Completion</u>
6.14	<u>Proposed Commercial Operation Date</u>
6.15	<u>Local Furnishing Bonds</u>
6.15.1	<u>Distribution Providers That Own Facilities Financed by Local Furnishing Bonds.</u>
6.15.2	<u>Alternative Procedures for Requesting Interconnection Service.</u>
6.16	<u>Capacity of the Generating Facility</u>
6.17	<u>Third-party Interconnection Facilities</u>
<u>SECTION 7.</u>	<u>General Provisions for the Engineering & Procurement ("E&P") Agreement</u>
<u>SECTION 8.</u>	<u>General Provisions Concerning Construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades. Affected Systems Study Procedures. General Provisions Concerning Funding of Network Upgrades</u>
8.1	<u>Schedule</u>

- 8.2 Construction Sequencing
 - 8.2.1 General.
 - 8.2.2 Construction of Network Upgrades that are or were an Obligation of an Entity other than Interconnection Customer.
 - 8.2.3 Advancing Construction of Distribution Upgrades and Network Upgrades that are Part of an Expansion Plan of Distribution Provider.
- 8.3 Network Upgrades
 - 8.3.1 Initial Funding of Network Upgrades.
 - 8.3.2 Repayment of Amounts Advanced for Network Upgrades
- 8.4 Special Provisions for Affected System GIAs separate from Distribution Provider GIAs
- 8.5 Affected System Study
 - 8.5.1 Applicability
 - 8.5.2 Response to Initial Notifications
 - 8.5.2.1 Response to Initial Notification
 - 8.5.32.2 Response to Notification of Cluster Restudy
 - 8.5.34 Affected System Queue Position
 - 8.5.45 Affected System Study Agreement/Multiparty Affected System Study Agreement
 - 8.5.56 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement
 - 8.5.67 Scope of Affected System Study
 - 8.5.78 Affected System Study Procedures
 - 8.5.89 Results Meeting with Distribution Transmission Provider and CAISO
 - 8.5.910 Affected System Cost Allocation
 - 8.5.104 Tender of Affected Systems Facilities Construction Agreement/Multiparty Affected Systems Facilities Construction Agreement
 - 8.5.112 Restudy
- 8.6 Limited Operation Study

SECTION 9 Commercial Readiness Deposit and GIA Deposit

- 9.1 Types of Commercial Readiness Deposit and GIA Deposit
- 9.2 Notification to CAISO and Accounting by Distribution Provider

Attachment 1 to the GIP: Glossary of Terms [†](#)

APPENDIX 1 to the GIP - Generating Facility Interconnection Request Form

ATTACHMENT A to GIP APPENDIX 1: Generating Facility Data

APPENDIX 2 to the GIP - Certification Codes and Standards

APPENDIX 3 to the GIP - Certification of Small Generator Equipment Packages

APPENDIX 4 to the GIP – Intentionally Omitted

APPENDIX 5 to the GIP - Cluster Study Agreement

ATTACHMENT A Assumptions Used in Conducting the Cluster Study

ATTACHMENT B Data Form to be Provided by Interconnection

Customer prior to Commencement of the Interconnection Facilities Study

APPENDIX 6 to the GIP - Application, Procedures, and Terms and Conditions

for Interconnecting a Certified Inverter-Based Small Generating

Facility No Larger than 10 kW (“10 kW Inverter Process”)

APPENDIX 7 to the GIP - Intentionally Omitted

APPENDIX 8 to the GIP - Interconnection Facilities Study Agreement

ATTACHMENT A Interconnection Customer Schedule Election for
Conducting the Interconnection Facilities Study

ATTACHMENT B Data Form to be Provided by Interconnection
Customer with the Interconnection Facilities Study Agreement

APPENDIX 9 to the GIP Two-Party Affected System Study Agreement

ATTACHMENT A Assumptions Used in Conducting the Affected
System Study

APPENDIX 10 to the GIP Multiparty Affected System Study Agreement

ATTACHMENT A Assumptions Used in Conducting the Multiparty
Affected System Study

APPENDIX 11 to the GIP Two-Party Affected System Facilities Construction
Agreement

ATTACHMENT A Affected System Network Upgrade(s) Cost
Estimates and Responsibility, Construction Schedule and Monthly
Payment Schedule

ATTACHMENT B Notification of Completed Construction

ATTACHMENT C Exhibits

APPENDIX 12 to the GIP Multiparty Affected System Facilities Construction
Agreement

ATTACHMENT A Affected System Network Upgrade(s) Cost
Estimates and Responsibility, Construction Schedule and Monthly
Payment Schedule

ATTACHMENT B Notification of Completed Construction

ATTACHMENT C Exhibits

SECTION 1. Application

1.1 Application

- 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. This GIP also cross references to the CAISO Tariff for the processes for interconnecting customers to request Full Capacity Deliverability Status or Partial Capacity Deliverability Status. Please refer to the following sections for applicability of the following processes under this GIP:
 - (1) Fast Track Process: Section 2
 - (2) Cluster Study Process: Section 4
 - (3) Under 10 kW Inverter Technology Process: Section 5 and Appendix 6
- 1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 to the GIP 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 sixty (60) Business Days after the effective date of these procedures.
- 1.1.4 Prior to submitting its Interconnection Request (Appendix 1 to the GIP), Interconnection Customer may ask Distribution Provider's interconnection contact employee or office whether the proposed interconnection is subject to these procedures. Distribution Provider shall respond in writing 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. FERC 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 Organization. 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 Generator Interconnection Agreement (GIA) apply equally to the Small Generator Interconnection Agreement (SGIA) or the Large Generator Interconnection Agreement (LGIA), or unless 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 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 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 Distribution Provider’s internet website. Electric system information provided to Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on Distribution Provider’s Distribution System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. Distribution Provider shall comply with reasonable requests for such information.
- 1.2.2 In addition to the information described in Section 1.2.1, which may be provided in response to an informal request, an Interconnection Customer may submit a formal written request form along with a non-refundable fee of \$300.00 for a pre-application report on a proposed project at a specific site. Distribution Provider shall provide the pre-application data described in Section 1.2.3 to Interconnection Customer within twenty (20) Business Days of receipt of the completed request form and payment of the \$300.00 fee. The pre-application report produced by Distribution Provider is non-binding, does not confer any rights, and Interconnection Customer must still successfully apply to interconnect to Distribution Provider’s system. The written pre-application report request form shall include the information in Sections 1.2.2.1 through 1.2.2.8 below to clearly and sufficiently identify the location of the proposed Point of Interconnection.
 - 1.2.2.1 Project contact information, including name, address, phone number, and email address.
 - 1.2.2.2 Project location (street address with nearby cross streets and town)
 - 1.2.2.3 Meter number, pole number, or other equivalent information identifying proposed Point of Interconnection, if available.
 - 1.2.2.4 Generator Type (e.g., solar, wind, combined heat and power, etc.)
 - 1.2.2.5 Size (alternating current kW)
 - 1.2.2.6 Single or three phase generator configuration

- 1.2.2.7 Stand-alone generator (no onsite load, not including station service – Yes or No?)
- 1.2.2.8 Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW (if available) and specify if the load is expected to change.
- 1.2.3. Using the information provided in the pre-application report request form in Section 1.2.2, Distribution Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by Distribution Provider does not necessarily indicate, after application of the screens and/or study, that this would be the circuit the project ultimately connects to. Interconnection Customer must request additional pre-application reports if information about multiple Points of Interconnection is requested. Subject to Section 1.2.4, the pre-application report will include the following information:
 - 1.2.3.1 Total capacity (in MW) of substation/area bus, bank or circuit based on normal or operating ratings likely to serve the proposed Point of Interconnection.
 - 1.2.3.2 Existing aggregate generation capacity (in MW) interconnected to a substation/area bus, bank or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.
 - 1.2.3.3 Aggregate queued generation capacity (in MW) for a substation/area bus, bank or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.
 - 1.2.3.4 Available capacity (in MW) of substation/area bus or bank and circuit likely to serve the proposed Point of Interconnection (i.e., total capacity less the sum of existing aggregate generation capacity and aggregate queued generation capacity).
 - 1.2.3.5 Substation nominal distribution voltage and/or transmission nominal voltage if applicable.
 - 1.2.3.6 Nominal distribution circuit voltage at the proposed Point of Interconnection.
 - 1.2.3.7 Approximate circuit distance between the proposed Point of Interconnection and the substation.
 - 1.2.3.8 Relevant line section(s) actual or estimated peak load and minimum load data, including daytime minimum load as described in Section 2.4.4.1.1 below and absolute minimum load, when available.

- 1.2.3.9 Number and rating of protective devices and number and type (standard, bi-directional) of voltage regulating devices between the proposed Point of Interconnection and the substation/area. Identify whether the substation has a load tap changer.
- 1.2.3.10 Number of phases available at the proposed Point of Interconnection. If a single phase, distance from the three-phase circuit.
- 1.2.3.11 Limiting conductor ratings from the proposed Point of Interconnection to the distribution substation.
- 1.2.3.12 Whether the Point of Interconnection is located on a spot network, grid network, or radial supply.
- 1.2.3.13 Based on the 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.

- 1.2.4 The pre-application report need only include existing data. A pre-application report request does not obligate Distribution Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If Distribution Provider cannot complete all or some of a pre-application report due to lack of available data, Distribution Provider shall provide Interconnection Customer with a pre-application report that includes the data that is available. The provision of information on “available capacity” pursuant to section 1.2.3.4 does not imply that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this section, Distribution Provider shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.

1.3 Interconnection Requests

Any Interconnection Customer requesting interconnection to Distribution Provider’s Distribution System must submit a complete and valid Interconnection Request via Distribution Provider’s application process.

1.3.1 General

A duly authorized officer or agent of Interconnection Customer will submit to Distribution Provider an Interconnection Request consistent with Appendix 1 to this GIP.

Interconnection Customer will select as part of its Interconnection Request the Interconnection Study Track it wishes to pursue, which are Fast Track (for eligible projects as set forth in Section 2 of the GIP), or the Cluster Study Process as set forth in Section 4 of the GIP.

Specific procedures for the intake of Interconnection Requests, validation and deficiency notices, queueing, application fees and study deposits, are set forth in Section 2 of the GIP for the Fast Track process and Section 4 of the GIP for the Cluster Study Process.

Interconnection Customers selecting the Cluster Study Process will include with the Interconnection Request an executed Cluster Study Agreement consistent with Appendix 5 to the GIP

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 Interconnection Requests.

At Interconnection Customer's option, Distribution Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at a Scoping Meeting within the Customer Engagement Window to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point of Interconnection to be studied no later than the end of the Customer Engagement Window. For purposes of clustering Interconnection Requests, Distribution Provider may propose changes to the requested Point of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Point(s) of Interconnection. Distribution Provider will notify Interconnection Customers in writing of any intended changes to the requested Point of Interconnection within the Customer Engagement Window, and the Point of Interconnection will only change upon mutual agreement.

Interconnection Customers may request Interconnection Service Capacity below the Generating Facility Capacity. Distribution Provider in its role as Transmission Provider, will study these requests for Interconnection Service at the level of Interconnection Service Capacity requested for purposes of Interconnection Studies, Network Upgrades, and associated costs. If the Generating Facility Capacity requires additional Network Upgrades beyond the Interconnection Service Capacity, Transmission Provider will provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade cost required for safety and reliability will be assigned to Interconnection Customer and eligible for reimbursement consistent with the treatment of Interconnection Facilities and Network Upgrade

provided in this GIP and the GIA. Interconnection Customers may be subject to additional control technologies, as well as testing and validation of those technologies consistent with Article 2 of the SGIA and Article 6 of the LGIA. The necessary control technologies and protection systems, if any, shall be detailed in Attachment 5 of the SGIA and Appendix C of the LGIA.

Distribution Provider in its role as Transmission 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 Transmission 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 Transmission 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. Transmission 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.

1.4 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, subject to Section 1.10 below, 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. Detailed modification procedures pertaining to the Cluster Study process are set forth in Section 4.5.7.2 of the GIP.

1.5 Site Control

Documentation of Site Control must be submitted with the Interconnection Request. Site Control is defined as an exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility.

For private land, 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.

For public land, including that controlled or managed by any federal, state or local agency, Site Control may be demonstrated by documentation establishing a final, non-appealable permit, license, or other right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility, which exclusive right to use public land under the management of the federal Bureau of Land Management shall be in a form specified by the Bureau of Land Management.

Distribution Provider will maintain acreage requirements for each Generating Facility type on its public website.

1.6 Interconnection Service and Studies

1.6.1 The Product

Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Distribution System and be eligible to deliver the Generating Facility's output using the capacity of the Distribution System to the CAISO Grid. Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery or rights to any specific MW of available capacity on the Distribution System or the CAISO Grid.

1.6.2 No Applicability to Transmission Service or Distribution Service.

Nothing in this GIP 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.

1.6.3 The Interconnection Studies

For Interconnection Requests in Queue Cluster 15 and subsequent Queue Clusters, the Interconnection Studies consist of a Cluster Study, a reassessment, and an Interconnection Facilities Study, and any updates to reflect the results of a reassessment conducted after the TP Deliverability allocation process for the Queue Cluster.

1.6.3.1 The Cluster Studies

The Cluster Studies for Queue Cluster Generating Facilities will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The Cluster Studies will identify direct Interconnection Facilities and required Reliability Network Upgrades necessary to interconnect the Generating Facility, mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. The stability and steady state studies will identify necessary upgrades to allow full output of the proposed Generating Facility, except for Generating Facilities that include at least one electric storage resource that request to use operating assumptions pursuant to Section 1.3.1 of the GIP, unless Distribution Provider and CAISO, as applicable, determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions, and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

The Cluster Studies will also identify Local Delivery Network Upgrades for Generating Facilities that have selected Full Capacity and Partial Capacity Deliverability Status, as applicable. Such Network Upgrades shall be identified in accordance with the Deliverability Assessments set forth in Section 6.3.2 of Appendix KK of the CAISO Tariff. The Cluster Studies will also provide cost estimates for Area Delivery Network Upgrades as described in Section 6.3.2 of Appendix KK of the CAISO Tariff.

The Cluster Study report shall include cost estimates for Reliability Network Upgrades, Local Delivery Network Upgrades, and Area Delivery Network Upgrades.

1.6.3.2 The Reassessment

Before each Cluster Study, Distribution Provider, in consultation with CAISO, will conduct a reassessment, as specified in Section 4.6 of the GIP to conform the Base Case and Interconnection Base

Case Data to account for later conditions since Distribution provider performed the Cluster Study in the prior Interconnection Study Cycle.

1.6.3.3 The Interconnection Facilities Study

After the Cluster Study and reassessment, Distribution Provider, in consultation with the CAISO, will conduct the Interconnection Facilities Study to more definitively 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 the Distribution System. The scope of the study is set forth in Section 4.7 of the GIP.

1.6.3.4 Update Following TP Deliverability Allocation Process

Following the completion of the Interconnection Facilities Studies for the Queue Cluster and Distribution Provider issuing the study results to Interconnection Customers in the Queue Cluster, the CAISO will perform the allocation of TP Deliverability to eligible Generating Facilities in accordance with Section 8.9 of Appendix KK to the CAISO Tariff. Based on the results of the allocation process and the responses to those results as reported by affected Interconnection Customers to the CAISO, Distribution Provider, in consultation with the CAISO, will provide updates where needed to the Interconnection Study reports of affected Interconnection Customers.

1.6.4 Roles and Responsibilities.

1.6.4.1 Each Interconnection Request will be subject to the direction and oversight of Distribution Provider. Distribution Provider will conduct or cause to be performed the required Interconnection Studies and any additional studies Distribution Provider determines to be reasonably necessary. If applicable, the CAISO, pursuant to the terms and conditions of the interconnection procedures of the CAISO Tariff, may perform portions of the Interconnection Studies and Deliverability Assessments related to the analysis of impacts on, and upgrades required to, the CAISO Grid. Distribution Provider will perform all required studies related to the Distribution System and will coordinate with Affected System Operators in accordance with Section 6.13.

1.6.4.2 Distribution Provider will complete or cause to be completed all studies as required within the timelines provided in this GIP.

1.6.4.3 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.

1.6.4.4 Each Interconnection Customer shall pay the actual costs of all Interconnection Studies, and any additional studies Distribution Provider determines to be reasonably necessary in response to the Interconnection Request. Distribution Provider shall reimburse the CAISO for the actual cost of any portion of the Interconnection Studies that the CAISO performs related to the CAISO Grid.

1.6.4.4.1 Where an Interconnection Study is performed by means of a Cluster Study, the cost of the Cluster Study will be charged pro rata on a net nameplate kVA rating basis to each Interconnection Request assigned to the Cluster Study.

1.6.4.4.2 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, Interconnection Customer shall pay the undisputed difference in accordance with Distribution Provider's issued invoice within thirty (30) Calendar Days.

Distribution Provider shall not be obligated to continue to have any studies conducted unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

1.7 Inverter Functions that Distribution Provider May Require

Distribution Provider may require inverter-based equipment to provide grid support functions. These advanced inverter functions will generally be categorized as autonomous or remote communication. Functional requirements, as determined by Distribution Provider, shall include, but are not limited to: real-time voltage regulation; limiting or disconnecting power output; voltage regulation within prescribed limits for both normal and sudden changes in voltage; and low voltage and frequency disturbance ride through. The operational range of individual functions within each category shall meet or exceed the operational range as established by Distribution Provider utilizing Reasonable Efforts based on Good Utility Practice.

1.8 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 Section 6.5 of this GIP.

Distribution Provider is permitted to require that Interconnection Customer sign a confidentiality and non-disclosure agreement before the release of commercially sensitive information in the Base Case data. Where the current or former Interconnection Customer or Market Participant is not a member of WECC, or its successor, an appropriate form of confidentiality agreement with WECC, or its successor, as foregoing requirements as well as all requirements under 18 C.F.R. Section 388.113 for obtaining the release of Critical Energy Infrastructure Information (as that term is defined by FERC) is required.

Such Base Cases shall include all generation projects and 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.

1.9 Transferability of Interconnection Request

An Interconnection Customer may transfer its Interconnection Request 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.

1.10 Withdrawal

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Distribution Provider, and Distribution Provider will notify the CAISO and Affected System Operator(s), if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by Distribution Provider of a valid Interconnection Request Interconnection Customer fails to adhere to the requirements of this GIP, except as provided in Section 9 of the Tariff (Dispute Resolution), 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 Distribution Provider in writing of its intent to pursue Dispute Resolution under Section 9 of the Tariff.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position and removal of the Interconnection Request from the Interconnection Study Cycle. If an Interconnection Customer disputes the withdrawal and removal from the Interconnection Study Cycle and has elected to pursue Dispute Resolution as set forth in Section 9 of the Tariff, Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the

Dispute Resolution process.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn by Distribution Provider under Section 1.10 of this GIP, Distribution Provider will (i) update Queue Position posting on its website; (ii) impose the Withdrawal Penalty described in Section 1.10.1 of this GIP; and (iii) refund to Interconnection Customer any portion of the refundable portion of Interconnection Customer's Interconnection Study Deposit that exceeds the costs that Distribution Provider has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. Distribution Provider will also refund any portion of the Commercial Readiness Deposit not applied to the Withdrawal Penalty and, if applicable, the deposit in lieu of Site Control.

In the event of a withdrawal, Distribution Provider, subject to the provisions of Section 6.5 of the GIP and Section 4.2.1.1 of the GIP, as applicable, 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.

1.10.1 Withdrawal Penalty

1.10.1.1 For Interconnection Requests in the Cluster Study Process:

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 Queue Cluster; (2) 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) 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.

1.10.1.2 For Interconnection Requests in the Fast Track Process

The Withdrawal Penalty does not apply to Interconnection Requests in the Fast Track Process.

1.10.1.3 Calculation of the Withdrawal Penalty.

If 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) Interconnection Customer's study deposit required under Section 4.2.1.1 of the GIP; 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 Study Process up until the point of withdrawal from the Cluster Study process.
- (b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy or reassessment reports issued pursuant to Section 4.6 of the GIP, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer will be charged five percent (5%) 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 4.7.3 of the GIP, 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 applicable requirements described in Section 4.9.4 of the GIP (i.e., Site Control demonstration, GIA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility), Interconnection Customer will be charged ten percent (10%) 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 applicable requirements described in Section 4.9.4 of the GIP (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%) its estimated Network Upgrade costs.

1.11 Penalties for Failure to Meet Study Deadlines

- (1) Distribution Provider will be subject to a penalty if it fails to complete a Cluster Study, reassessment (including any Cluster Restudies), Interconnection Facilities Study, or Affected Systems Study by the applicable deadline set forth in this GIP. This penalty applies to Interconnection Studies for Generating Facilities larger than 20 MW and does not apply to Interconnection Studies for Generating Facilities 20 MW and smaller. As set forth in Section 1.11, Distribution Provider will calculate any applicable study delay penalty and allocate any applicable study delay penalty for Generating Facilities larger than 20 MW separately from those Generating Facilities 20 MW and smaller. If a Cluster Study, reassessment, Interconnection Facilities Study, or Affected Systems Study contains Interconnection Requests from Generating Facilities larger than 20 MW as well as 20 MW and smaller, and if the relevant study is delayed, subject to the study delay penalty set forth in this Section 1.11, only the studies pertaining to Generating Facilities larger than 20 MW will be included in the calculation and allocation of the relevant study delay penalty.
- (2) Distribution Provider must pay the penalty for each late Cluster Study, reassessment (including any Cluster Restudies), and Interconnection Facilities Study on a *pro rata* basis per Interconnection Request to all those Interconnection Customer(s) with Generating Facilities larger than 20 MW 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, in proportion to each Interconnection Customer's final study cost for the applicable study that was delayed. Distribution Provider must pay the penalty for a late Affected Systems Study on a *pro rata* basis per interconnection request to all Affected System Interconnection Customer(s) with Generating Facilities larger than 20 MW 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, in proportion to each Interconnection Customer's final study cost. 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.
- (32) 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 GIP; \$2,000 per Business Day for delays of the reassessment (including any Cluster Restudies) beyond the applicable deadline set forth in this GIP; \$2,000 per Business

Day for delays of Affected System Studies beyond the applicable deadline set forth in this GIP; and \$2,500 per Business Day for delays of Interconnection Facilities Studies beyond the applicable deadline set forth in this GIP. 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 of Generating Facilities larger than 20 MW in the Queue Cluster for Cluster Studies and reassessments (including any) Cluster Restudies); (b) one hundred percent (100%) of the initial study deposit received for ~~the single~~ Interconnection Requests of Generating Facilities larger than 20 MW in the study for an Interconnection Facilities Study; and (c) one hundred percent (100%) of the study deposit(s) that Distribution Provider collects for conducting the Affected System Study for Interconnection Requests of Generating Facilities larger than 20MW.

- (43) 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, 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 Distribution Provider from penalties under this Section for good cause.
- (54) 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 Distribution Provider misses the applicable study deadline.
- (65) If (a) Distribution Provider or the CAISO, as applicable, need 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 Distribution Provider missing the original deadline.
- (76) No penalties will be assessed until the third Cluster Study cycle after the FERC-approved effective date of Distribution Provider's compliance filing made in connection with the Final Rule in Docket No. RM22-14-000.
- (87) Distribution Provider must maintain on its website summary statistics related to penalties assessed under this Section, updated quarterly. For each calendar quarter, 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. 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. 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). Each Distribution Provider will notify the CAISO of its penalties to enable the CAISO to comply with this requirement.

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 2.5.1 below or the Supplemental Review screens in Section 2.7.4 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. In addition to the size threshold, Interconnection Customer's proposed Generating Facility must meet the codes, standards, and certification requirements of Appendices 2 and 3 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.

Fast Track Eligibility for Inverter-Based Systems		
Line Voltage	Fast Track Eligibility Regardless of Location	Fast Track Eligibility on a Mainline [1] and \leq 2.5 Electrical Circuit Miles from Substation [2]
< 5 kV	\leq 500 kW	\leq 500 kW
\geq 5 kV and $<$ 15 kV	\leq 2 MW	\leq 3 MW
\geq 15 kV and $<$ 30 kV	\leq 3 MW	\leq 4 MW
\geq 30 kV and \leq 69 kV	\leq 4 MW	\leq 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 can determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to Section 1.2.

2.2 Timing for Submitting Interconnection Requests

An Interconnection Customer may submit an Interconnection Request for processing under the Fast Track Process at any time during the year.

2.3 Interconnection Request

Interconnection Customer shall submit its Interconnection Request (Appendix 1 to the GIP) to Distribution Provider. A non-refundable processing fee of \$500.00 and a non-refundable Initial Review feestudy deposit of \$1,000.00 are also required with each Interconnection Request. The fee payments must be submitted separately from the Interconnection Request. Distribution Provider will send an invoice to Interconnection Customer after receipt of the Interconnection Request.

Interconnection Customers requesting interconnection under the Fast Track Process may only select Energy-Only Deliverability Status.

2.3.1 Acknowledgement of 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 setting timetables in Section 2 of this GIP.~~

~~Distribution Provider will notify Interconnection Customer in writing of receipt of the Interconnection Request within three (3) Business Days of receipt.~~

2.3.2 Validation of Interconnection Request and Deficiencies

~~The written notification acknowledging receipt of the Interconnection Request within three (3) Business Days of the receipt of the Interconnection Request shall also state whether the Interconnection Request is deemed complete and valid.~~

~~If an Interconnection Request is deficient, Distribution Provider shall state 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 with ten (10) Business Days after receipt of such notice.~~

~~At any time, if Distribution Provider finds that the technical data provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer and Distribution Provider shall work expeditiously and in good faith to remedy such issues.~~

~~In the event that Interconnection Customer fails to comply with this~~

~~Section 2.3.2 of the GIP, Distribution Provider shall deem the Interconnection Request withdrawn (without the cure period provided under Section 1.10 of this GIP), the application fee and study deposit will be forfeited to Distribution Provider.~~

~~Interconnection Customers deemed withdrawn due to invalid Interconnection Requests under this Section may seek relief under the Dispute Resolution provisions set forth in Section 9 of the Tariff.~~

2.3.3 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.~~

2.4. Documentation of Site Control

~~Documentation of Site Control, as set forth in Section 1.5 of the GIP, must be submitted with the Interconnection Request. Interconnection Requests in the Fast Track Process may not submit a deposit in lieu of Site Control.~~

2.5 Initial Review

Upon receipt of a complete and valid Interconnection Request pursuant to Section ~~2.3.21.3~~ above, Distribution Provider shall perform an Initial Review using the process set forth in Section 2.5.1 below. The Initial Review will determine if: (i) the Generating Facility qualifies for Fast Track Interconnection through Initial Review, or (ii) the Generating Facility requires a Supplemental Review (consistent with Section 2.7 below). Absent extraordinary circumstances, Distribution Provider shall notify Interconnection Customer in writing of the results of Initial Review within ~~fifteen thirty (30) days~~ ~~15~~ ~~Calendar Business~~ Days following notification of a complete and valid Interconnection Request.

~~Interconnection Customer shall be responsible for Distribution Provider's actual costs for conducting the Initial Review. The Initial Review Interconnection Request fee will be applied toward the costs for conducting the Initial Review. 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. If the deposit exceeds the invoiced costs, Distribution Provider will return such excess within thirty (30) Calendar Days of the invoice with interest.~~

No changes may be made to the planned Point of Interconnection or Generating Facility size included in the Interconnection Request during the Initial Review Process, unless such changes are agreed to by Distribution Provider. Where agreement has not been reached, Interconnection Customers choosing to change the Point of Interconnection or Generating Facility size must reapply and submit a new Interconnection Request.

2.5.1 Screens.

- 2.5.1.1 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.
- 2.5.1.2 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 percent (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.

~~In cases where the circuit lacks the telemetry needed to provide the annual peak load measurement data, Distribution Provider shall use power flow cases from the latest completed Cluster Study to perform this screen.~~

- 2.5.1.3 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 percent (5%) of a spot network's maximum load or 50 kW. For purposes of this Section 2.5.1.3, 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, 17th edition, Donald Fink, McGraw Hill Book Company or any successor handbook).
- 2.5.1.4 The proposed Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than ten percent (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.

~~Distribution Provider shall use the short circuit data from the latest completed Cluster Study to test this screen.~~

- 2.5.1.5 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 eighty-seven and a half percent (87.5%) of the short circuit interrupting capability; nor shall the interconnection proposed for a circuit that already exceeds eighty-seven and a half percent

(87.5%) of the short circuit interrupting capability be allowed.

~~Distribution Provider shall use the short circuit study data from the most recently completed Cluster Study to test this screen,~~

2.5.1.6 The table below, will 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 Distribution System 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
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

2.5.1.7 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.

2.5.1.8 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 twenty percent (20%) of the nameplate rating of the service transformer.

2.5.1.9 ~~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 distribution busses from the point of interconnection). A Generating Facility will fail this initial review, but will be eligible for a supplemental review, if it proposes to interconnect in an area where there are known transient stability, voltage, or thermal limitations identified in the most recently completed Cluster Study or transmission planning process.,~~

2.5.1.10 No construction of facilities by Distribution Provider of Distribution Upgrades on its own the Distribution System other than those upgrades solely attributable to the Generating Facility shall be required to accommodate the Generating Facility.

2.5.2 Passes Screens.

If the proposed interconnection passes the screens, the Interconnection Request shall be approved and Distribution Provider will provide Interconnection Customer an executable GIA within fifteen (15) Business Days after the determination.

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 Cluster Study Process as set forth in Section 4 of this GIP, that are attributable to the Interconnection Request. If future engineering or other study work determines that 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 Interconnection Customer financial responsibility for such facilities and upgrades.

2.5.3 Fails Screens.

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 GIA within fifteen (15) Business Days after the determination.

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 Cluster Study Process as set forth in Section 4 of this GIP, that are attributable to the Interconnection Request. If future engineering or other study work determines that 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 Interconnection

Customer financial responsibility for such facilities and upgrades.

2.5.4 Fails Screens; Minor Modifications or Further Study.

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 as set forth in Section 2.6 below.

2.6 Customer Options Meeting

If Distribution Provider determines the Interconnection Request cannot be approved without (1) minor modifications at minimal cost, (2) a Supplemental Review or other additional studies or actions, or (3) incurring significant cost to address safety, reliability, or power quality problems, Distribution Provider shall notify Interconnection Customer of that determination within five (5) Business Days after the determination and provide copies of all data and analyses underlying its conclusion. Within ten (10) Business Days of Distribution Provider's determination, Distribution Provider shall offer to convene a Customer Options Meeting with 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 Generating Facility to be connected safely and reliably. At the time of notification of Distribution Provider's determination, or at the Customer Options Meeting, Distribution Provider shall:

2.6.1 Offer to Perform Facility Modifications or Minor Modifications.

Offer to perform facility modifications or minor modifications to 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 Distribution Provider's electric system. If Interconnection Customer agrees to pay for the modification to Distribution Provider's electric system, Distribution Provider will provide Interconnection Customer with an executable interconnection agreement within ten (10) Business Days of the Customer Options Meeting; or

2.6.2 Offer to Perform Supplemental Review.

Offer to perform a Supplemental Review in accordance with Section 2.7 and provide a non-binding good faith estimate of the costs of such review.

2.6.3 Options.

If the proposed interconnection fails the screens due to Section 2.5.1.10 above, and no Distribution Upgrades or Network Upgrades are required (i.e., only Interconnection Facilities are required), then Interconnection

Customer shall have the option to move into the Cluster Study Process or move forward to Supplemental Review.

2.6.4 When to Move to Cluster Study Process.

If the proposed interconnection fails the screens due to Section 2.5.1.10 above, and Distribution Upgrades or Network Upgrades are required (i.e., only Interconnection Facilities are required), then Interconnection Customer will be required to move into the Cluster Study Process to specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to interconnect the Generating Facility consistent with safety, reliability, and power quality standards. ~~Moving to the Cluster Study Process will require withdrawal of the Fast Track Interconnection Request and application into the next available Cluster Application Window with the attendant study deposits and other requirements of the Cluster Study Process as set forth in Section 4 of the GIP.~~

2.7 Supplemental Review

- 2.7.1 To accept the offer of a Supplemental Review, Interconnection Customer shall agree in writing and submit a ~~\$2,500 non-refundable Supplemental Review fee deposit for the estimated costs of the Supplemental Review in the amount of Distribution Provider's good faith estimate of the costs of such review, both~~ within fifteen (15) Business Days of the offer. If the written agreement and ~~Supplemental Review fee deposit~~ have not been received by Distribution Provider within that timeframe, the Interconnection Request shall be deemed withdrawn.
- 2.7.2 Interconnection Customer may specify the order in which Distribution Provider will complete the screens in Section 2.7.4.
- 2.7.3 ~~[Not used.] Interconnection Customer shall be responsible for Distribution Provider's actual costs for conducting the Supplemental Review. Interconnection Customer must pay any review costs that exceed the deposit within twenty (20) Business Days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, Distribution Provider will return such excess within twenty (20) Business Days of the invoice without interest.~~
- 2.7.4 Within thirty (30) Business Days following receipt of the deposit for a Supplemental Review, Distribution Provider shall: (1) perform a Supplemental Review using the screens set forth below; (2) notify in writing Interconnection Customer of the results; and (3) include with the notification, copies of the analysis and data underlying Distribution Provider's determinations under the screens. Unless Interconnection Customer provided instructions for how to respond to the failure of any of the Supplemental Review screens below, at the time Interconnection Customer accepted the offer of Supplemental Review, Distribution

Provider shall notify Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in Section 2.7.4.1, within two (2) Business Days of making such determination to obtain Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 2.7.4; (2) terminate the Supplemental Review and ~~continue evaluating the Generating Facility under the Cluster Study Process deem the Interconnection Request withdrawn~~; or (3) terminate the Supplemental Review upon withdrawal of the Interconnection Request by Interconnection Customer.

2.7.4.1 Minimum Load Screen.

Where twelve (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 2.7.4.

2.7.4.1.1 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 2.7.4.1. 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.

2.7.4.1.2 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.

2.7.4.1.3 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.

2.7.4.2 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.

2.7.4.3 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 Cluster Study Process. Distribution Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

2.7.4.3.1 Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).

2.7.4.3.2 Whether the loading along the line section uniform or even.

2.7.4.3.3 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.

2.7.4.3.4 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.

2.7.4.3.5 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.

2.7.4.3.6 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.

2.7.5 If the proposed interconnection passes the supplemental screens in Sections 2.7.4.1, 2.7.4.2, and 2.7.4.3 above, the Interconnection Request shall be approved and Distribution Provider will provide Interconnection Customer with ~~an executable draft~~ interconnection agreement within the timeframes established in Sections 2.7.5.1 and 2.7.5.2 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 Cluster Study Process, the Interconnection Request shall be deemed withdrawn~~ consistent with Section 2.7.5.3 below.

2.7.5.1 If the proposed interconnection passes the supplemental screens in Sections 2.7.4.1, 2.7.4.2, and 2.7.4.3 above and does not require construction of facilities by Distribution Provider on its own system, the draft interconnection agreement shall be provided within ten (10) Business Days after the notification of the Supplemental Review results.

2.7.5.2 If interconnection facilities or minor modifications to Distribution Provider's system are required for the proposed interconnection to pass the supplemental screens in Sections 2.7.4.1, 2.7.4.2, and 2.7.4.3 above, and Interconnection Customer agrees to pay for the modifications to Distribution Provider's electric system, the draft 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.

2.7.5.3 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 2.7.4.1, 2.7.4.2, and 2.7.4.3 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 deemed withdrawn.

Interconnection Customer may apply separately for the Cluster Study Process as set forth in Section 4. evaluated under the Cluster Study Process requiring Interconnection Customer to withdraw its Interconnection Request.

2.8 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 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 Cluster Study Process. If modifications that obviate the need to proceed to the 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 2.9 below, for completing the GIA. If Interconnection Customer and Distribution Provider are unable to identify or agree to modifications, Interconnection Customer shall notify Distribution Provider within twenty (20) Business Days of the Supplemental Review Results Meeting whether it would like to proceed with the Cluster Study Process (next open Cluster Application Window) or withdraw its Interconnection Request. Interconnection Customer may request one (1) 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. Interconnection Customers that elect to proceed to the Cluster Study Process shall provide the applicable study deposit set forth Section 4.2.1.1 for the Cluster Study Process.

2.9 Generator Interconnection Agreement ~~for the Fast Track Process~~

2.9.1 Tender.

~~The draft GIA shall be in the form of Distribution Provider's FERC approved~~

~~form Small Generator Interconnection Agreement applicable to Generating Facilities no larger than 20 MW, which can be found in Attachment E to the Tariff. Interconnection Customer shall provide written comments, or notification of no comments, to the draft GIA within thirty (30) Calendar Days of receipt of the draft GIA, unless the sixty (60) Calendar Day negotiation period under Section 2.10 of the GIP has commenced.~~

2.9.21 Tender; Cost Estimate Not Necessary.

If a cost estimate was deemed not necessary pursuant to the above Initial Review and Supplemental Review sections, Distribution Provider shall tender the draft GIA, together with draft appendices, within fifteen (15) Business Days of the following:

- 2.9.21.1 Initial Review results if passed, or
- 2.9.21.2 Initial Review Results Meeting if requested and if modifications that obviate the need for Supplemental Review are identified and Interconnection Customer and Distribution Provider agree to such modifications.
- 2.9.21.3 Supplemental Review results if passed, or
- 2.9.21.4 Supplemental Review Results Meeting if requested and if modifications that obviate the need to proceed to the Cluster Study Process are identified and Interconnection Customer and Distribution Provider agree to such modifications.

2.9.32 Tender; Cost Estimate Necessary.

If a cost estimate was deemed necessary, 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:

- 2.9.32.1 ~~Accepts the cost estimate, whereby Interconnection Customer~~ requests a ~~draft~~ GIA, or
- 2.9.32.2 withdraws its Interconnection Request. Interconnection Customer may request one (1) 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, subject to Section 1.10 of this GIP.

If Interconnection Customer elects to proceed to a GIA, Distribution Provider shall tender a draft GIA, together with draft appendices, within fifteen (15) Business Days of Interconnection Customer's request.

2.10 GIA Negotiation.

~~2.10.1 Notwithstanding Section 2.9.1, Distribution Provider and Interconnection Customer shall negotiate concerning any provisions of the draft GIA for not more than sixty (60) Calendar Days after Distribution Provider tenders the draft GIA to Interconnection Customer.~~

~~2.10.2 If Interconnection Customer or Distribution Provider determines that negotiations are at an impasse, either party may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 2.9.1. If Parties cannot reach agreement following termination of the negotiations, Interconnection Customer can request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 9 of the Tariff.~~

~~2.10.3 If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days after Distribution Provider tenders the draft GIA to Interconnection Customer, Interconnection Customer fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution procedures pursuant to Section 9 of the tariff, the Interconnection Request shall be deemed withdrawn.~~

~~2.10.4 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 9 of the Tariff within sixty (60) Calendar Days after Distribution Provider tenders the draft GIA to Interconnection Customer, the Interconnection Request shall be deemed withdrawn.~~

2.11 Final GIA

~~Distribution Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the Parties agree to conclude the negotiation process.~~

2.12 GIA Execution and Filing of GIA

~~Once the Parties have completed negotiation of the GIA, the Parties shall execute the GIA. Distribution Provider will issue an executable copy of the GIA to Interconnection Customer via an electronic signature application. Interconnection Customer shall either (i) execute the GIA via electronic signature application; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. The electronic signature application will provide a final executed version of the GIA to all Parties.~~

~~As an alternative to the electronic signature application, Parties may exchange hard copies of executable GIAs for hand signature.~~

~~If the GIA is required to be filed at FERC due to (i) a non-conforming GIA, or (ii) a request by Interconnection Customer to file the GIA unexecuted, Distribution Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and provide 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.~~

SECTION 3.

INTENTIONALLY OMITTED

SECTION 4. Cluster Study Process

4.1 Timing for Submitting Interconnection Requests into the Cluster Application Window

Except for Interconnection Customers requesting processing under the Fast Track Process as set forth in Section 2 of the GIP, Interconnection Requests must be submitted during an open Cluster Application Window.

Interconnection Requests submitted outside of the Cluster Application Window will not be considered.

The Cluster Application Window, whereby Distribution Provider will accept Interconnection Requests will be open during a fifteen (15) Calendar Day period. Beginning in 2026, the initial Cluster Application Window for Interconnection Requests will open annually on October 1 and close on October 15. If any date set forth in this section is not a Business Day, then the applicable date shall be the next Business Day.

Distribution Provider may change the Cluster Application Window interval and opening or closing dates at any time. Any changes to the Cluster Application Window interval and opening or closing dates will be posted on Distribution Provider's website. If there is a conflict between the Cluster Application Window interval and opening or closing dates posted on Distribution Provider's website and the dates identified in this Section 4.1, the dates posted on Distribution Provider's website shall control.

4.2 Processing of Interconnection Request

4.2.1 Initiating an Interconnection Request.

To initiate an Interconnection Request under the Cluster Study Process, an Interconnection Customer either seeking (1) to interconnect a proposed Generating Facility with Distribution Provider's Distribution System, or (2) to increase the capacity of a Generating Facility that has achieved Commercial Operation, must submit during an open Cluster Application Window all of the following:

- (i) Applicable Interconnection Study Deposit as set forth in Section 4.2.1.1 of the GIP,
- (ii) A completed Interconnection Request in the form of Appendix 1 to this GIP, including requested Deliverability statuses, preferred Point of Interconnection and voltage level, and all other required technical data, including all data requested in Attachment A to Appendix 1 which includes a single-line diagram, plot plan, and requested Point of Interconnection (among other data).
- (iii) Demonstration of no less than ninety percent (90%) Site Control;

or (1) a signed affidavit from an officer of the company indicating that Site Control is unobtainable due to regulatory limitations as such term is defined by Distribution Provider and Distribution Provider will post a definition of regulatory limitations applicable to Site Control on its public website; and (2) documentation sufficiently describing and explaining the source and effects of such regulatory limitations, including a description of any conditions that must be met to satisfy the regulatory limitations and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements; and (3) a deposit in lieu of Site Control of \$10,000 per MW of generating capacity, subject to a minimum of \$500,000 and a maximum of \$2,000,000.

Interconnection Requests from multiple Interconnection Customers for multiple Generating Facilities that share a site must include a contract or other agreement that allows for shared land use. The demonstration of Site Control, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility,

- (iv) Generating Facility Capacity (MW) (and requested Interconnection Service level if the requested Interconnection Service is less than the Generating Facility Capacity),
- (v) A Commercial Readiness Deposit equal to two times the study deposit described in Section 4.2.1.1 of the GIP in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Distribution Provider. This Commercial Readiness Deposit is refunded to Interconnection Customer upon withdrawal of the Interconnection Request according to Section 1.10 of the GIP,
- (vi) If applicable, (a) the requested operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) to be used by Distribution Provider in the Interconnection Studies 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 Interconnection Customer.

Distribution Provider requires the foregoing information to be complete and specific to the Interconnection Request. Distribution Provider will first determine whether a submitted Interconnection Request is complete. Distribution Provider will not initiate any review of an Interconnection Request for completeness until the Interconnection Study Deposit is received.

Distribution Provider will review each Interconnection Request and notify

Interconnection Customer whether it is complete or contains omissions within five (5) Business Days of submission. Interconnection Customer will promptly respond to cure any omissions identified by Distribution Provider. If Interconnection Customer has not submitted a complete Interconnection Request within the cure period outlined by Distribution Provider in its notification of deficiencies or omissions, such Interconnection Request will be deemed withdrawn pursuant to Section 1.10 of the GIP with no opportunity to cure or otherwise be included in that year's Queue Cluster.

Distribution Provider will forward a copy of any complete Interconnection Request under the Cluster Study Process that requests Full Capacity Deliverability Status or Partial Capacity Deliverability Status to the CAISO, as applicable, within five (5) Business Days of being deemed complete.

Following this review for completeness, during the Customer Engagement Window, Distribution Provider will, among other tasks, evaluate the Interconnection Request for validity and other deficiencies as set forth in Section 4.2.3. Distribution Provider requires Interconnection Study Deposits to review and validate the Interconnection Request.

Notwithstanding Section 4.2.3 of the GIP or any other provision regarding validation or the ability to cure deficiencies, Distribution Provider will not review, process, or validate an Interconnection Request absent the Interconnection Study Deposit. Any Interconnection Customer that has not submitted the Interconnection Study Deposit by the close of the Cluster Application Window (or the next Business Day if the closing date of the Cluster Application Window is not a Business Day) will be deemed withdrawn pursuant to Section 1.10 of the GIP with no opportunity to cure or otherwise be included in that year's Queue Cluster.

4.2.1.1 Interconnection Study Deposit

Interconnection Customer will submit to Distribution Provider, during an open Cluster Application Window, an Interconnection Request in the form of Appendix 1 to the GIP, a non-refundable application fee of \$5,000, and a refundable Interconnection Study Deposit of \$35,000 plus \$1,000 per MW of generating facility capacity. Distribution Provider shall deposit all Interconnection Study Deposits in an interest-bearing account at a bank or financial institution designated by Distribution Provider. The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by Distribution Provider or third parties at the direction of Distribution Provider, to perform and administer the Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests.

4.2.1.2 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 Distribution Provider the actual costs of processing its Interconnection Request.

In the event an Interconnection Customer withdraws after the commencement of the Cluster Study, Distribution Provider shall charge and Interconnection Customer(s) shall pay the actual costs of the Interconnection Studies.

The costs of any Interconnection Study conducted on a clustered basis will be allocated among each Interconnection Customer within the Cluster as follows:

- (i) Fifty percent (50%) of the study costs will be allocated to each Interconnection Request in a cluster on a *per capita* by number of Interconnection Requests in the Queue Cluster basis.
- (ii) Fifty percent (50%) of the study costs will be allocated to each Interconnection Request in a cluster on a *pro rata* by MW basis.

Following offsets from Withdrawal Penalties assessed pursuant to Section 1.10.1 of the GIP, the actual costs of each reassessment, as set forth in Section 4.6 of the GIP, will be allocated among each Interconnection Customer in the Queue Cluster in the same manner as above.

Any difference between the study deposit and the actual cost of the Interconnection Studies will be paid by or refunded to, except as otherwise provided herein, Interconnection Customers. 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 1.10.1 of the GIP.

Distribution Provider shall issue invoices for Interconnection Studies that shall include a detailed and itemized accounting of the cost of each Interconnection Study. Distribution Provider shall draw from the Interconnection Study Deposit any undisputed costs within thirty (30) Calendar Days of issuance of an invoice. Whenever the actual cost of performing the Interconnection Studies exceeds the Interconnection Study Deposit,

Interconnection Customer shall pay the undisputed difference in accordance with Distribution Provider's issued invoice within thirty (30) Calendar Days. Distribution Provider shall not be obligated to continue to have any studies conducted unless Interconnection Customer has paid all undisputed amounts in compliance herewith. In the event an Interconnection Study, or portions thereof, is performed by the CAISO, Interconnection Customer shall pay only the costs of those activities performed by Distribution Provider to adequately review or validate that Interconnection Study or portions thereof that were performed by the CAISO.

4.2.1.3 Site Control and Site Control Deposit

Interconnection Customer shall promptly inform Distribution Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 4.2.1(iii) of the GIP. 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 approval, Distribution Provider shall deem the Interconnection Request withdrawn pursuant to Section 1.10 of the GIP.

An Interconnection Customer that submits a deposit in lieu of Site Control due to demonstrated regulatory limitations must demonstrate that it is taking identifiable steps to secure the necessary regulatory approvals from the applicable federal, state, and/or tribal entities before execution of the Cluster Study Agreement. Such deposit will be held by Distribution Provider until Interconnection Customer provides the required Site Control demonstration for its point in the Cluster Study Process. An Interconnection Customer facing qualifying regulatory limitations must demonstrate one hundred percent (100%) Site Control within one hundred eighty (180) Calendar Days of the effective date of the GIA.

Distribution Provider shall deposit all Site Control Deposits in an interest-bearing account at a bank or financial institution designated by Distribution Provider. The Site Control Deposit shall be refundable to Interconnection Customer at any time upon demonstration of one hundred percent (100%) Site Control or the Interconnection Request is withdrawn by Interconnection Customer or deemed withdrawn by Distribution Provider by written notice under Section 1.10 of this GIP. The refund of the Site Control Deposit shall include interest from the date of receipt by Distribution Provider to the date of payment to Interconnection

Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii). The Site Control Deposit shall continue to be required after Interconnection Customer either executes a GIA or requests the filing of an unexecuted GIA under Section 4.9.4 of this GIP if Site Control has not been demonstrated.

4.2.1.4 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 Distribution Provider, unless Interconnection Customer demonstrates, and 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. Distribution Provider's agreement to an extension of the proposed Commercial Operation Date does not relieve Interconnection Customer from compliance with the requirements of any of the criteria in Section 8.9.3 of Appendix KK to the CAISO Tariff for retention of TP Deliverability.

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 Distribution Provider and those requested prior to execution of the GIA by Interconnection Customer or the filing of an unexecuted GIA by Distribution Provider.

4.2.1.5 Third Party Interconnection Facilities

Interconnection Customers proposing to use third-party Interconnection Facilities must provide documentation to Distribution Provider demonstrating they are negotiating or have secured rights on those Interconnection Facilities to be deemed valid pursuant to Section 4.2.3. Within twenty (20) Business Days after the Cluster Study Results Meeting, such Interconnection

Customers must provide documentation to Distribution Provider demonstrating they have secured rights on those Interconnection Facilities through their proposed Commercial Operation Date.

4.2.2 Acknowledgment of Interconnection Request

Distribution Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request.

4.2.3 Customer Engagement Window Activities, including Validation of Interconnection Request and Scoping Meeting

Upon the close of each Cluster Application Window, Distribution Provider will open a ninety (90) Calendar Day period (Customer Engagement Window). During the Customer Engagement Window, Distribution Provider will hold a Scoping Meeting with all interested Interconnection Customers. Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, 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, Distribution Provider will post on its website 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 distribution circuit or circuits 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. 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, Distribution Provider will provide to Interconnection Customer a non-binding updated good faith estimate of the cost and timeframe for completing the Cluster Study. Interconnection Customers will execute the Cluster Study Agreement, Appendix 5 to the GIP, prior to the close of the Customer Engagement Window.

At the end of the Customer Engagement Window, all Interconnection Requests deemed valid that have executed a Cluster Study Agreement in the form of Appendix 5 to the GIP will be included in the Cluster Study. Any Interconnection Requests for which Interconnection Customer has not executed a Cluster Study Agreement shall be deemed withdrawn (without the cure period provided under Section 1.10 of the GIP) the application fee will be forfeited to Distribution Provider, and Distribution Provider will return the Interconnection Study Deposit and Commercial Readiness

Deposit to Interconnection Customer. Immediately following the Customer Engagement Window, Distribution Provider will initiate the Cluster Study described in Section 4.5 of the GIP.

For each Interconnection Request that is deemed complete pursuant to Section 4.2.1, Distribution Provider, in consultation with CAISO, as applicable, will determine whether the Interconnection Request is valid as set forth in Section 4.2.3.1. 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 date, and unusable files.

Interconnection Customer will provide Distribution Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such deficiency notice but no later than the end of the Customer Engagement Window. At any time, if Distribution Provider finds that the technical data provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer, Distribution Provider, and the CAISO will work expeditiously and in good faith to remedy such issues. In the event that Interconnection Customer fails to comply with this section, Distribution Provider will deem the Interconnection Request withdrawn (without the cure period provided under Section 1.10 of the GIP), the application fee is forfeited to Distribution Provider, and the Interconnection Study Deposit and Commercial Readiness Deposit will be returned to Interconnection Customer.

4.2.3.1 Validation Process

Distribution Provider, in consultation with the CAISO, as applicable, will notify 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 is deemed complete, whichever is later. All Interconnection Requests must be deemed complete and valid by the end of the Customer Engagement Window to be included in that year's Queue Cluster.

4.2.3.2 Deficiencies in Interconnection Request

If an Interconnection Request has deficiencies, Distribution Provider shall include in its notification to Interconnection Customer that the Interconnection Request does not constitute a valid request and explain the deficiencies. Interconnection Customer shall provide Distribution Provider the additional and/or corrected requested information needed to constitute a valid request within ten (10) Business Days after receipt of such deficiency notice but no later than the end of the Customer Engagement Window.

Consistent with Section 4.2.3, whenever the additional and/or corrected requested information is provided by Interconnection Customer, Distribution Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the corrected information whether the Interconnection Request is valid. If the Interconnection Request continues to provide deficient information, Distribution Provider shall include in its notification to Interconnection Customer the reasons for such failure. Interconnection Customer, Distribution Provider, and the CAISO, as applicable, will work expeditiously and in good faith to remedy any remaining deficiencies.

In the event that Interconnection Customer fails to comply with this section, Distribution Provider will deem the Interconnection Request withdrawn (without the cure period provided under Section 1.10 of the GIP), the application fee is forfeited to Distribution Provider, and the Interconnection Study Deposit and Commercial Readiness Deposit will be returned to Interconnection Customer.

Interconnection Requests deemed invalid under this Section 4.2.3.2 are not subject to Section 1.10. Interconnection Customers with invalid Interconnection Requests under this Section 4.2.3.2 may seek relief under the Dispute Resolution procedures set forth in Section 9 of the Tariff by so notifying Distribution Provider within two (2) Business Days of the notice of invalidity.

4.2.4 Day-for-day Extensions

To the extent Distribution Provider cannot meet any deadline in Section 4.2.3, Interconnection Customer will receive a day-for-day extension on any remaining deadlines requiring its response in relation to the validation of its Interconnection Request.

4.3 Cluster Study Scoping Meeting

4.3.1 Timing.

During the Customer Engagement Window, Distribution Provider shall hold a Scoping Meeting with all Interconnection Customers whose valid Interconnection Requests were received in the recently closed Cluster Application Window.

4.3.2 Purpose.

The purpose of the Cluster Study Scoping Meeting shall be to discuss reasonable Commercial Operation Dates and alternative interconnection options, to exchange information including any transmission data and

earlier study evaluations that would reasonably be expected to impact such interconnection options, to discuss the Cluster Study materials posted to Distribution Provider's website pursuant to Section 6.11 of the GIP, if applicable, and to analyze such information. Distribution Provider and 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.

Distribution Provider, the CAISO, if applicable, 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(s) shall designate its Point of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

4.3.3 Confidentiality and Non-disclosure Agreement

All Interconnection Customers must execute a confidentiality and non-disclosure agreement prior to a group Cluster Study Scoping Meeting, which provides for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

4.4 Cluster Study Agreement

No later than five (5) Business Days after the close of a Cluster Application Window, Distribution Provider shall tender to each Interconnection Customer that submitted a valid Interconnection Request a Cluster Study Agreement in the form of Appendix 5 to this GIP. The Cluster Study Agreement shall require Interconnection Customer to compensate Distribution Provider for the actual cost of the Cluster Study pursuant to Section 4.2.1.2 of the GIP. The specifications, assumptions, or other provisions in the appendices of the Cluster Study Agreement shall be subject to change by Distribution Provider following the conclusion of the Scoping Meeting.

4.4.1 Execution of Cluster Study Agreement

Interconnection Customer shall execute the Cluster Study Agreement and deliver the executed Cluster Study Agreement to Distribution Provider no later than the close of the Customer Engagement Window. If Interconnection Customer does not provide all required technical data when it delivers the Cluster Study Agreement, Distribution Provider shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Cluster 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 Cluster Study Agreement

or study deposit. Failure to execute the Cluster Study Agreement will result in the Interconnection Request being deemed withdrawn pursuant to Section 1.10 of the GIP.

4.5 The Cluster Study

4.5.1 Assignment of Queue Position.

Distribution Provider will assign a Queue Position as follows: the Queue Position within the queue will be assigned based upon the date and time of receipt of all items required pursuant to the provisions of Section 4.2.1 of the GIP. All Interconnection Requests submitted and deemed complete and valid in a single Cluster Application Window will be considered equally queued.

4.5.2 Higher Queue Position

A higher Queue Position assigned to an Interconnection Request is one that has been placed “earlier” in the queue in relation to another Interconnection Request that is assigned a lower Queue Position. All requests studied in a single Cluster will be considered equally queued. Interconnection Customers that are part of Clusters initiated earlier in time than an instant Queue Cluster will be considered to have a higher Queue Position than Interconnection Customers that are part of Clusters initiated later than an instant Queue Cluster.

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.

4.5.2.1 Subgroups

At Distribution Provider’s option, and in coordination with the CAISO, as applicable, an Interconnection Request received during a particular Cluster Application Window may be studied individually or in a subgroup for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study within an Interconnection Study Cycle, Distribution Provider, in coordination with the CAISO, may develop one or more subgroups. A subgroup will include Interconnection Requests that electrically affect one another with respect to the analysis being performed and the CAISO’s annual transmission plan 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 Distribution Provider, may differ from the grouping required for determining impacts and mitigation on the CAISO Grid as determined by Distribution Provider, in coordination with the CAISO, given the non-network nature of the Distribution System.

Distribution Provider may also, in coordination with the CAISO, as applicable, 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 Distribution Provider elects to use subgroups in the Cluster Study Process, Distribution Provider must publish the criteria used to define and determine the subgroups on its public website.

An Interconnection Request's inclusion in a subgroup will not relieve Distribution Provider from meeting the timelines for conducting the Cluster Study provided in this GIP. Subgroups will be studied in such a manner to ensure the efficient implementation of the CAISO's annual transmission plan in light of the Transmission System's capabilities at the time of each study.

4.5.3 Scope and Purpose of the Cluster Study.

The Cluster Study will, as applicable:

- 4.5.3.1 evaluate the impact of all Interconnection Requests received during the Cluster Application Window for a particular year on the Distribution System and CAISO Grid;
- 4.5.3.2 preliminarily identify the Distribution Upgrades needed to address the impacts on the Distribution System;
- 4.5.3.3 identify the Network Upgrades needed to address the impacts on the CAISO Grid of the Interconnection Requests, including Reliability Network Upgrades and Delivery Network Upgrades. Reliability Network Upgrades may be further classified as Substation Network Upgrades and System Network Upgrades. Delivery Network Upgrades may be further classified as Area Delivery Network Upgrades and Local Delivery Network Upgrades;
- 4.5.3.4 preliminarily identify for each Interconnection Request required Distribution Provider's Interconnection Facilities;
- 4.5.3.5 assess the Point of Interconnection selected by each Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall system upgrade costs;

- 4.5.3.6 establish the estimated, non-binding maximum cost responsibility for Network Upgrades assigned to each Interconnection Request until the issuance of the Interconnection Facilities Study report;
- 4.5.3.7 provide a good faith estimate of the cost of Distribution Upgrades and Distribution Provider's Interconnection Facilities for each Interconnection Request;
- 4.5.3.8 provide a cost estimate of Area Delivery Network Upgrades for each Generating Facility in a Cluster Study;
- 4.5.3.9 identify controls required for each Interconnection Request where Interconnection Customer requested Interconnection Service Capacity in a lower amount than the Generating Facility Capacity;

If applicable, the portion of the Cluster Study required to evaluate impacts on the CAISO Grid will be conducted in coordination with the CAISO in a manner consistent with the procedures set forth in the interconnection procedures of the CAISO Tariff.

The Cluster Study will consist of a power flow, short circuit analyses, and a stability analysis to the extent Distribution Provider and CAISO, as applicable, reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, and an On-Peak Deliverability Assessment, as applicable, in accordance with Section 4.5.4.2 below.

The short circuit analysis will include an evaluation of the short circuit duty impacts of all Generating Facilities interconnecting to the Distribution System on the Transmission System.

At the conclusion of the Cluster Study, Distribution Provider shall issue a Cluster Study Report. The Cluster Study Report will state for each subgroups 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 Report shall identify and 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 subgroup or as a result of any Interconnection Request studied individually and Distribution Provider's Interconnection Facilities associated with each Interconnection Request, 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 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 (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 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. 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 by the CAISO. As determined by Distribution Provider, Interconnection Customer may be subject to testing and validation of those control technologies consistent with Article 6 of the LGIA and Article 2 of the SGIA.

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 on the Transmission System. Transmission Provider and the CAISO, as applicable, shall evaluate each identified alternative transmission technology and determine whether the above technologies should be used, consistent with Good Utility Practice, Applicable Reliability Standards, and Applicable Laws and Regulations. Transmission Provider will include an explanation of the results of Transmission Provider's the evaluation for each technology in the Cluster Study Report.

4.5.4 Identification and Cost Allocation Methods for Network Upgrades and Distribution Upgrades in a Cluster Study.

4.5.4.1 Reliability Network Upgrades

Distribution Provider, in coordination with the CAISO, as applicable, may perform short circuit and stability analyses for each Interconnection Request either individually or as part of a subgroup to preliminarily identify the Reliability Network Upgrades ([which may include Substation Network Upgrades or System Network Upgrades](#)) needed to interconnect the Generating Facilities to the Distribution System. Distribution Provider, in

coordination with the CAISO, as applicable, 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 Reliability Network Upgrades.

The estimated costs of short circuit related Reliability Network Upgrades 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 Reliability Network Upgrades identified through a subgroup shall be assigned to all Interconnection Requests in that subgroup *pro rata* on the basis of the maximum MW electrical output of each proposed new Generating Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed by 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.

Distribution Provider will allocate assigned Substation Network Upgrade costs *per capita* based on the number of Interconnection Requests that have been assigned the Substation Network Upgrade(s) in the current Queue Cluster. The Interconnection Customer's current cost responsibility will reflect the allocated costs of Substation Network Upgrade(s). In the case where more than one Interconnection Customer is allocated the cost of the same Substation Network Upgrade(s), each Interconnection Customer's maximum cost responsibility will include the full cost of the relevant Substation Network Upgrade(s) until another Interconnection Customer in the same Queue Cluster that was allocated the same Substation Network Upgrade(s) provides its payment under Article 5.6.4 of the GIA for the assigned Substation Network Upgrade(s). Once payment or postings are received, Distribution Provider will reduce the Interconnection Customer's maximum cost responsibility to its allocated share of the Substation Network Upgrade(s) in the latest interconnection study or reassessment.

4.5.4.2 Delivery Network Upgrades

4.5.4.2.1 The On-Peak Deliverability Assessment

An On Peak Deliverability Assessment will be performed by the CAISO as set forth in Section 6.3.2.1 of Appendix KK of the CAISO Tariff. The cost responsibility for

Delivery Network Upgrades identified in the Cluster Study will be assigned to Interconnection Customers that have selected Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Delivery Network Upgrade as determined by the CAISO using its distribution factor methodology outlined in the CAISO On-Peak Deliverability Assessment methodology as set forth in Section 6.3.2.1 of Appendix KK of the CAISO Tariff and the CAISO Business Practice Manuals as they may be amended from time to time.

The On-Peak Deliverability Assessment shall determine the Generating Facility's ability to deliver its energy to the CAISO Grid, as applicable, under peak load conditions, and identify Area Delivery Network Upgrades and Local Delivery Network Upgrades required to provide the Generating Facility with Full Capacity or Partial Capacity Deliverability Status.

The On-Peak Deliverability Assessment will consist of two rounds, the first of which will identify any transmission constraints that limit the Deliverability of the Generating Facilities in the Cluster Study and will identify Local Delivery Network Upgrades to relieve the local constraints, and second of which will determine Area Delivery Network Upgrades to relieve the area constraints.

Deliverability of a new Generating Facility will be assessed on the same basis as all other existing resources interconnected to the Distribution System or CAISO Grid.

4.5.4.2.2 [Not used]

4.5.4.3 Distribution Upgrades

Distribution Provider may perform short circuit analyses and stability analyses, if required, for each Interconnection Request either individually or as part of a subgroup to preliminarily identify the Distribution Upgrades needed to interconnect the Generating Facility to the Distribution System. Distribution Provider may 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 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 subgroup shall be assigned to all Interconnection Requests in that subgroup *pro rata* based on each Interconnection Request's contribution to the need for the upgrade.

4.5.5 ~~[Not Used]~~Cost Allocation for Distribution Provider Interconnection Facilities

The costs of any needed Distribution Provider Interconnection Facilities identified in the Cluster Study will be directly assigned to the Interconnection Customer(s) using such facilities. Where Interconnection Customers in the Queue Cluster agree to share Interconnection Facilities, including Distribution Provider Interconnection Facilities, the cost of such Distribution Provider 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.-

4.5.6 Cluster Study Procedures.

Distribution Provider shall, coordinate the Cluster Study with the CAISO, as applicable, and any Affected System Operator that is affected by the Interconnection Request pursuant to Section 6.13 of this GIP. Existing studies shall be used to the extent practicable when conducting the Cluster Study. Distribution Provider will coordinate Base Case development with the CAISO, as applicable, to ensure the Base Cases are accurately developed for the assessment of impacts on the CAISO Grid.

Distribution Provider will complete and issue to Interconnection Customers the Cluster Study report within one hundred and fifty (150) Calendar Days after the commencement of the Cluster Study~~close of the Customer Engagement Window~~; however, each individual study or Cluster Study may be completed prior to this maximum time where practicable based on factors, including, but not limited to: (i) the number of Interconnection Requests in the Cluster Application Window, (ii) study complexity, and (iii) reasonable availability of subcontractors as provided under Section 1.6.4.3. Distribution Provider will share applicable study results with the CAISO and Affected System Operators, if applicable, for review and comment and will incorporate comments into the study report. Distribution Provider will issue a final Cluster Study report to Interconnection Customer.

At any time 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 Cluster Application Window, study complexity, coordination with the CAISO Tariff GIP study processes, or unavailability of subcontractors on a reasonable basis to perform the study in the required time frame, Distribution Provider shall notify 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, Distribution Provider shall provide 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 Cluster Study, subject to confidentiality arrangements consistent with Section 6.5 of this GIP.

4.5.7 Cluster Study Results Meeting.

Within thirty (30) Calendar Days of simultaneously furnishing a Cluster Study Report to each Interconnection Customer within the Cluster and posting a redacted version of such report on Distribution Provider's website, Distribution Provider will schedule a Cluster Study Results Meeting with Interconnection Customer and the CAISO (as applicable).

4.5.7.1 [Not Used]

4.5.7.2 Modifications

4.5.7.2.1 Timing of Proposed 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 4.5.7.2.2 or 4.5.7.2.3 of the GIP, or are determined not to be Material Modifications pursuant to Section 4.5.7.2.4 of the GIP.

Notwithstanding the above, during the course of the Interconnection Studies, either 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 Distribution Provider, the CAISO, 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 proposed changes prior to return of the executed Cluster Study Agreement, and Interconnection Customer shall retain its Queue Position.

4.5.7.2.2 Modifications Proposed Prior to the Execution of the Cluster Study Agreement

Prior to execution of the Cluster Study Agreement modifications permitted under this Section 4.5.7.2.2 shall include specifically:

- (a) a decrease of up to sixty percent (60%) of electrical output (MW) of the proposed Generating Facility, through either (1) a decrease in Generating Facility Capacity or (2) a decrease in Interconnection Service level (consistent with the process described in Section 1.3 of the GIP) 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 that meets the criteria set forth in Section 6.14 of the GIP and is acceptable to Distribution Provider and the CAISO, as applicable, such acceptance not to be unreasonably withheld;
- (e) change in Point of Interconnection as set forth in Section 4.5.7.2.1;
- (f) change in Delivery Status to Energy Only Deliverability Status, Partial Capacity Deliverability Status, or a lower MW amount of Partial Capacity Deliverability Status.

For proposed plant increases, the incremental increase in plant output will be required to apply in the next open Cluster Application Window for the purposes of cost allocation and study analysis.

For any modification other than those listed in (a) through (f) in the above paragraph, Interconnection Customer must 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 CAISO, 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.

Costs incurred by Distribution Provider and the CAISO (if any) shall be borne by the party making the request under Section 4.5.7.2 and such costs shall be included in any Distribution Provider invoice for modification assessment activities.

4.5.7.2.3 Modifications Proposed Prior to the Execution of the Interconnection Facilities Study Agreement.

Prior to execution of the Interconnection Facilities Study Agreement, the modifications permitted under this Section will include specifically:

- (a) additional fifteen percent (15%) decrease of electrical output of the proposed Generating Facility through either (1) a decrease in Generating Facility Capacity (MW), (2) or a decrease in Interconnection Service level (consistent with the process described in Section 1.3 of the GIP) accomplished by applying Distribution Provider-approved injection-limiting equipment; and
- (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.

If any Interconnection Customer proposed modification after the publishing of the Cluster Study Report would change the scope, schedule, or cost of the Interconnection Facilities or Network Upgrades, Distribution Provider, in consultation with the CAISO, as applicable, will issue a report to Interconnection Customer. Potential adjustments to the Interconnection Customer's cost responsibility or maximum cost exposure for Network Upgrades will be determined in accordance with Section 4.6.5 of the GIP.

4.5.7.2.4 Material Modification Assessment Procedures

Prior to making any modification other than those specifically permitted in Section 4.5.7.2.2 and Section 4.5.7.2.3 of this GIP, Interconnection Customer shall provide Distribution Provider a \$10,000 deposit for the Material Modification assessment at the time the modification request is submitted. Modification requests will be made by Interconnection Customer in writing. Any

such request for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment A to Appendix 1 of this GIP.

In response to Interconnection Customer's request, Distribution Provider shall evaluate the proposed modifications prior to Interconnection Customer making them. Distribution Provider will inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification as follows:

- (a) Except as provided in (b) below, any Material Modification assessment will be concluded, and a response provided to Interconnection Customer in writing, within forty-five (45) Calendar Days from the date Distribution Provider receives all of the following: Interconnection Customer's written notice to modify the project, any pertinent technical data required to assess the request, and payment of a \$10,000 deposit.
- (b) If the modification request results in a change to the Interconnection Facilities, Distribution Upgrades, or Network Upgrades, the Material Modification assessment could take up to ninety (90) Calendar Days.
- (c) If the assessment cannot be completed within that time period, Distribution Provider shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required.

Interconnection Customer will be responsible for the actual costs incurred by Distribution Provider and CAISO, as applicable, in conducting the Material Modification assessment. If the actual costs of the assessment are less than the deposit provided by Interconnection Customer, Interconnection Customer will be refunded the balance. If the actual costs of the modification assessment are greater than the deposit provided by Interconnection Customer, Interconnection Customer shall pay the balance within thirty (30) Calendar Days of being invoiced. Distribution Provider shall coordinate the modification request with the CAISO and any Affected System, as applicable.

Any change to the Point of Interconnection, except those

deemed acceptable under Sections 1.3.1 or 4.5.7.2. of the GIP 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.

Distribution Provider shall evaluate the proposed addition of 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 the proposed charging behavior of the Generating Facility as requested by Interconnection Customer, unless Distribution Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

4.5.7.2.5 Additional Generation Without Increasing Interconnection Service Level

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.

4.5.7.2.6 Addition or Replacement of Generating Units

Notwithstanding any other provisions in this GIP or Interconnection Customer's GIA, Interconnection Customer may not modify its fuel type, including through the addition or replacement of Generating Units, by more than five percent (5%) of its capacity, where:

- (a) Interconnection Customer has exceeded seven (7) years from the date Distribution Provider received its Interconnection Request without achieving its Commercial Operation Date;
- (b) Interconnection Customer's current Commercial

Operation Date exceeds seven (7) years from the date Distribution Provider received its Interconnection Request; or

- (c) the change in fuel type will require Interconnection Customer's Commercial Operation Date to exceed seven (7) years from the date Distribution Provider received its Interconnection Request.

Distribution Provider will not consider the addition of energy storage; changes to the type, number, or manufacturer of inverters; or insubstantial changes to the Generating Facility as fuel-type modifications.

Interconnection Customers may request such modifications pursuant to the Material Modification procedures as set forth in Section 4.5.7.2.4 of this GIP.

4.5.7.2.7 Deliverability Conversions

In addition to the options provided in this GIP, Interconnection Customer may convert to Energy Only, Partial Capacity Deliverability Status, or a lower MW amount of Partial Capacity Deliverability Status after the completion of its Interconnection Facilities Study. This conversion will become effective through the reassessment process described in Section 4.6. Except (i) as provided in Section 8.9.3.2 of Appendix KK of the CAISO Tariff (ii) due to not receiving the requested TP Deliverability allocation, or (iii) due to declining a TP Deliverability allocation, Interconnection Customers that become Energy Only after the Interconnection Facilities Study may not reduce its cost responsibility for any assigned Delivery Network Upgrades as a result of converting to Energy Only unless the CAISO and Distribution Provider determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is(are) no longer needed for current Interconnection Customers.

4.5.7.2.8 Downsizing Requests

Interconnection Customers may request to downsize its Interconnection Service Capacity pursuant to the Material Modification procedures set forth in Section 4.5.7.2.4. Interconnection Customers with Network Upgrades requesting to downsize will not see the impacts to its Network Upgrades or cost responsibility until Distribution Provider publishes the reassessment results that include the downsized capacity pursuant to Section 4.6 unless

Distribution Provider can determine the impacts prior to the reassessment. Interconnection Customers with Network Upgrades must submit downsizing requests, including the \$10,000 deposit, by May 30 of each year to be included in the following reassessment. Once Distribution Provider publishes the reassessment results, Distribution Provider will tender a draft amendment to the Interconnection Customer's Generator Interconnection Agreement to incorporate any required changes. If an Interconnection Request is withdrawn or is deemed withdrawn, any partial recovery of the deposits or penalties will be calculated based on the Generating Facility's most recent MW capacity prior to its downsizing request.

A downsizing generator 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 CAISO Tariff interconnection study procedures applicable to the downsizing generator. For determining any changes to a downsizing generator's Network Upgrade cost responsibilities as a result of a reassessment process conducted pursuant to Section 4.6 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.

4.5.7.3 [Not Used]

4.5.7.4 Revisions and Addenda to Final Interconnection Study Reports

4.5.7.4.1 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 final Interconnection Facilities Study report) contains a substantial error or omission, Distribution Provider, in consultation with the CAISO, as applicable, will cause a revised final report to be issued to the Interconnection

Customer.

A substantial error or omission shall mean an error or omission that results in one or more of the following:

- (i) understatement or overstatement of Interconnection Customer's cost responsibility for Network Upgrades, Distribution Upgrades and Distribution Provider Interconnection Facilities, in aggregate by more than five percent(5%) or one million dollars (\$1,000,000.00), whichever is greater; or
- (ii) delay to the schedule by which Interconnection Customer can achieve Commercial Operation, based on the results of the final Interconnection Study, by more than one year

A dispute over the plan of service by an Interconnection Customer shall not be considered a substantial error or omission unless 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.

4.5.7.4.2 Other Errors or Omissions: Addendum

If an error or omission in an Interconnection Study report is not a substantial error or omission, Distribution Provider shall not issue a revised final Interconnection Study report. Rather, Distribution Provider shall document such error or omission and make any appropriate correction by issuing an addendum to the final report. Distribution Provider 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 pursuant to Section 4.9.1 of this GIP.

4.5.7.4.3 Only Substantial Errors or Omissions Adjust Posting Dates

This Section is Only Applicable to Queue Cluster 14 and previous: only substantial errors and omissions related to Interconnection Study reports can result in adjustments to Interconnection Financial Security due dates. Any error or omission found after the second Interconnection

Financial Security posting will not impact Interconnection Customer's assigned cost responsibility.

Unless the error or omission is a substantial error resulting in the issuance of a revised final Interconnection Study report, the correction of an error or omission shall not operate to 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 Interconnection Study report, the deadline for posting Interconnection Financial Security shall be extended. In addition to issuing a revised final report, Distribution Provider will promptly notify 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 Interconnection Customer must post or to postpone the applicable deadline for Interconnection Customer to post Interconnection Financial Security. In case of such a dispute, Interconnection Customer shall post the amount of Interconnection Financial Security in accordance with the GIP, subject to refund in the event that Interconnection Customer prevails in the dispute.

4.5.7.4.4 Substantial Errors or Omissions Allowing Refunds

Notwithstanding Section 4.2.1, after 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 notification of a substantial error or omission; and
- (ii) it withdraws its Interconnection Request within sixty (60) Calendar Days of the publication of the revised Study Report or the termination of its power purchase agreement resulting from the substantial error or omission, as applicable.

4.6 Reassessment, Cluster Restudy and Activities in Preparation for the Interconnection Facilities Study

4.6.1 Full/Partial Capacity Deliverability Options for Interconnection Customers

This section applies to Interconnection Requests for which the Generating Facility Deliverability Status is either Full Capacity or Partial Capacity.

Within Appendix B of the Interconnection Facilities Study Agreement (Attachment 8 to the GIP), Interconnection Customer must select one of two options with respect to its Generating Facility:

- (i) Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to Commercial Operation. If Interconnection Customer selects Option (A), then 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 Reliability Network Upgrades and Local Delivery Network Upgrades; or,
- (ii) Option (B), which means that Interconnection Customer will assume cost responsibility for Delivery Network Upgrades (both Local Delivery Network Upgrades and Area Delivery Network Upgrades, to the extent applicable) without cash repayment as set forth in Article 11.4 of the LGIA and 5.2.1 of the SGIA, to the extent that sufficient TP Deliverability is not allocated to the Generating Facility to provide its requested Deliverability Status. If Interconnection Customer selects Option (B) then 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 Reliability Network Upgrades, Local Delivery Network Upgrades, and Area Delivery Network Upgrades. To qualify to receive any allocation of TP Deliverability, Interconnection Customers selecting Option (B) must still meet the minimum criteria identified in Section 8.9.2 of Appendix KK of the CAISO Tariff.

4.6.2 Reassessment Process

Distribution Provider, in consultation with CAISO, as applicable, will perform a reassessment of the Base Case after each Cluster Study. The reassessment will evaluate the impacts on those Distribution Upgrades and 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 pursuant to Section 4.5.7.2 of the GIP;
- (c) the performance of earlier queued Interconnection Customers with executed GIAs with respect to required milestones and other obligations;
- (d) changes in TP Deliverability allocations or Deliverability Status;
- (e) the results of the TP Deliverability allocation from the prior Interconnection Study cycle; and,
- (f) transmission additions and upgrades approved or removed in the most recent CAISO Transmission Planning Process cycle.

Distribution Provider and the CAISO, as applicable, will complete the reassessment, including the Cluster Restudy, within one hundred eighty (180) Calendar Days of the Cluster Study Results Meeting.

4.6.3 Cluster Study Restudy

Distribution Provider, in consultation with the CAISO, as applicable, will conduct the Cluster Study Restudy as part of the reassessment of the Base Case pursuant to Section 4.6.1 of the GIP.

- (1) Within twenty (20) Calendar Days after the Cluster Study Results Meeting, Interconnection Customer must provide the following:
 - (a) Demonstration of continued Site Control pursuant to Section 4.2.1 of the GIP; and
 - (b) An additional deposit that brings the total Commercial Readiness Deposit submitted to Distribution Provider to five percent (5%) of Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Distribution Provider. Distribution Provider will refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 1.10 of the GIP.

Interconnection Customer shall promptly inform Distribution Provider of any material change to its demonstration of Site Control under Section 4.2.1 of the GIP. Upon Distribution Provider determining that Interconnection Customer no longer

satisfies the Site Control requirement, 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 Distribution Provider's approval, not to be unreasonably withheld. Absent such demonstration, Distribution Provider will deem the subject Interconnection Request withdrawn pursuant to Section 1.10 of the GIP.

- (2) If no Interconnection Customer withdraws from the Queue Cluster after completion of the Cluster Study or Cluster Restudy or is deemed withdrawn pursuant to Section 1.10 of the GIP after completion of the Cluster Study or Cluster Restudy, Distribution Provider will notify Interconnection Customers in the Queue Cluster that a Cluster Restudy is not required.
- (3) If one or more Interconnection Customers withdraw from the Queue Cluster or are deemed withdrawn pursuant to Section 1.10 of the GIP, Distribution Provider, in consultation with CAISO, as applicable, will conduct a Cluster Restudy as part of the reassessment. If Distribution Provider determines a Cluster Restudy is not necessary, Distribution Provider will notify Interconnection Customers in the Queue Cluster that a Cluster Restudy is not required and Distribution Provider will provide an updated Cluster Study Report within thirty (30) Calendar Days of such determination.
- (4) If one or more Interconnection Customers withdraws from the Queue Cluster or is deemed withdrawn pursuant to Section 1.10 of the GIP, Distribution Provider will notify Interconnection Customers in the Queue Cluster and post on Distribution Provider's website that a Cluster Restudy is required within thirty (30) Calendar Days after the Cluster Study Results Meeting. Distribution Provider will continue with such restudies until Distribution Provider, in consultation with CAISO, determines that no further restudies are required.

If a Cluster Restudy is required due to a higher queued project withdrawing from the interconnection queue, or a modification of a higher or equally queued project subject to Section 4.5.7.2 of the GIP, Distribution Provider shall 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 pursuant to Section 4.5.3 of the GIP. Distribution Provider shall complete the Cluster Restudy within one hundred fifty (150) Calendar Days of Distribution Provider informing Interconnection customers in the Queue Cluster that restudy is needed. The results of the Cluster Restudy will be

combined into a single report (Cluster Restudy Report). Distribution Provider and the CAISO, as applicable will hold a meeting with the Interconnection Customers in the Cluster Restudy (Cluster Restudy Results Meeting) within ten (10) Business Days of simultaneously furnishing the Cluster Restudy Report to each Interconnection Customer in the Cluster Restudy and publishing a redacted version of the Cluster Restudy Report on Distribution Provider's website.

If additional restudies are required, Interconnection Customer and Distribution Provider will follow the procedures of this Section 4.6.3 of this GIP until such time that Distribution Provider, in consultation with the CAISO, as applicable, determines that no further restudies are required.

- 4.6.4 Where, as a consequence of the reassessment, 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.
- 4.6.5 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 cost responsibility 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 cost responsibility for Network Upgrades if a reassessment undertaken pursuant to this Section 4.6 reduces its estimated cost responsibility for Network Upgrades by at least twenty percent (20%) and \$1 million, as compared to the cost responsibility for Network Upgrades in its Interconnection Studies or previous reassessment.
 - (ii) If an Interconnection Customer's cost responsibility for Network Upgrades is adjusted downward pursuant to (i) above, and a subsequent reassessment identifies a change on Distribution Provider's system that occurs after the completion of Interconnection Customer's Interconnection Studies and requires additional or expanded Network Upgrades, resulting in an increase in Interconnection Customer's estimated cost responsibility for Network Upgrades as adjusted based on the results of a prior reassessment, then Interconnection Customer's new 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 responsibility established by its 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 the prior reassessment, Interconnection Customer's maximum cost responsibility for Network Upgrades shall not exceed the maximum cost responsibility established by its Interconnection Facilities Study. For Interconnection Customers with complete Phase II Interconnection Studies or Interconnection Facilities Studies, Distribution Provider, in consultation with CAISO, as applicable, will publish advisory, non-binding updates to those studies in the reassessment, and binding updates in the following Interconnection Facilities Study.

4.6.6 Reassessment for Option (B) Generating Facilities

For any Interconnection Request that selected Option (B) as its Deliverability option, specific reassessment procedures for such customers are set forth in Section 7.5 of Appendix KK of the CAISO Tariff.

4.6.7 Application of Withdrawal Penalties and Forfeited Amounts from Refundable Deposits

In conjunction with each reassessment, Distribution Provider will calculate and disperse Withdrawal Penalties and forfeited amounts of refundable deposits in accordance with the provisions of Appendix Y to the CAISO Tariff, Appendix KK of the CAISO Tariff, and this GIP as follows:

(a) Withdrawal Period

Distribution Provider shall calculate Withdrawal Penalties based on the period during which Interconnection Customer withdrew its interconnection request or terminated its generator interconnection agreement, pursuant to Section 1.10.1 of the GIP.

For each withdrawal period, Distribution Provider shall calculate and disburse available Withdrawal Penalties in conjunction with the reassessment performed during the year that the withdrawal period ends.

(b) Disbursement of Withdrawal Penalties Assessed Prior to Cluster Study Results

For any Withdrawal Penalties assessed pursuant to Section 1.10.1.1(a) and for an Interconnection Customer that withdraws or is deemed withdrawn during the Cluster Study but before the receipt of a Cluster Study Report, 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.

(c) 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 GIA after the Cluster Study results, Distribution Provider shall calculate the proportion of the Withdrawal Penalty that is attributable to Network Upgrades that Distribution Provider, in consultation with CAISO, as applicable, determines will still be needed by remaining Interconnection Customers. For each such still-needed Network Upgrade, 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 Distribution Provider prior to the stage of the applicable reassessment in which Distribution Provider, in consultation with CAISO, as applicable, reallocates cost responsibility for remaining Network Upgrades shall: (a) be disbursed to the applicable Distribution Provider 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 Distribution Provider receives after reallocating cost responsibility for remaining Network Upgrades during the applicable reassessment shall be disbursed by 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, in which case such amounts will be disbursed pursuant to Section 4.6.7(c) of the GIP.

If a Network Upgrade for which Distribution Provider disburses funds as a Contribution In Aid of Construction under this Section 4.6.7(b) of the GIP is determined, in a subsequent reassessment, to be no longer needed, such funds will be promptly returned by Distribution Provider to the CAISO and re-disbursed by the CAISO pursuant to Section 4.6.7(c) of the GIP.

(d) Calculation and Disbursement of Other Forfeited Amounts of refundable Security and Study Deposits

For each Interconnection Customer that withdrew its Interconnection Request or terminated its GIA during a withdrawal period, any Withdrawal Penalty, as well as any forfeited amounts of refundable deposit not disbursed pursuant to subsection (b) above, shall be applied to offset Regional Transmission Revenue Requirements, as recovered through the CAISO's Transmission Access Charge, and to offset Local Transmission Revenue

Requirements.

This offset shall be performed by first allocating these Withdrawal Penalties and forfeited deposit amounts to the following three categories in proportion to the Interconnection Customer's most recent current cost responsibility, prior to withdrawal or termination, for Network Upgrades whose costs would be recovered through each of the following categories: (1) a Regional Transmission Revenue Requirement, (2) the Local Transmission Revenue Requirement of Distribution Provider to which Interconnection Customer had proposed to interconnect, and (3) the Local Transmission Revenue Requirement of any other Distribution Provider on whose system Interconnection Customer was responsible for funding Network Upgrades recovered through a Local Transmission Revenue Requirement.

Each year, prior to the cutoff date for including annual regional TRBA adjustments in Regional Transmission Revenue Requirements, the CAISO will disburse to each Distribution Provider's Transmission Revenue Balancing Account: (a) a share of the total funds held or received by the CAISO from category (1) above in proportion to the ratio of each Distribution Provider's most recent Regional Transmission Revenue Requirement to the total of all Distribution Provider's most recent Regional Transmission Revenue Requirements, and (b) all funds held or received by the CAISO in categories (2) and (3) applicable to that Distribution Provider.

(e) Disbursement of Funds by CAISO; Distribution Provider Responsibility for Collection

Distribution Provider shall disburse, in accordance with the rules set forth in this Section 4.6.7, only those amounts that it holds or has received. Distribution Provider shall have the exclusive obligation to administer the collection of any Withdrawal Penalty where the applicable Distribution Provider is a beneficiary. The applicable Distribution Provider has the responsibility to manage the financial security and to transmit to the CAISO the non-refundable amounts in cash or equivalent within seventy-five (75) Calendar Days of the CAISO's submission to Distribution Provider of the financial security liquidation form. This deadline can be modified by mutual agreement of the CAISO and applicable Distribution Provider.

4.7 Interconnection Facilities Study and CAISO TP Deliverability Allocation Processes

4.7.1 Interconnection Facilities Study Agreement

Within five (5) Business Days following Distribution Provider notifying each Interconnection Customer within the Queue Cluster that no further Cluster Restudy is required (per Section 4.6.3 of the GIP), Distribution Provider will provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 8 to the GIP.

Interconnection Customer will compensate Distribution Provider and CAISO, as applicable, for the actual cost of the Interconnection Facilities Study. Within five (5) Business Days following the Cluster Study Results Meeting or Cluster Restudy Results Meeting if applicable, Distribution Provider will provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study.

Interconnection Customer will 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:

- (1) any required technical data;
- (2) Demonstration of one hundred percent (100%) Site Control or demonstration of a regulatory limitation and applicable deposit in lieu of Site Control provided to Distribution Provider in accordance with Section 4.2.1(iii) of the GIP; and
- (3) An additional deposit that brings the total Commercial Readiness Deposit submitted to Distribution Provider 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 irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Distribution Provider. Distribution Provider will refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 1.10 of the GIP.

Interconnection Customer shall promptly inform Distribution Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 4.2.1(iii) of the GIP. Upon Distribution Provider determining separately that Interconnection Customer no longer satisfies the Site Control requirement, 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 Distribution Provider's approval, not to be unreasonably withheld. Absent such demonstration, Distribution Provider will deem the subject Interconnection Request withdrawn pursuant to Section 1.10 of the GIP.

4.7.2 Scope of the Interconnection Facilities Study

The Interconnection Facilities Study will be performed on a clustered basis, with scope similar to the Cluster Study as set forth in Section 4.5.3 or the reassessment (including any Cluster Restudies) as set forth in Section 4.6.2. The Interconnection Facilities Study will specify and provide Interconnection Customer's cost responsibility to implement the conclusions of the Cluster Study Report (and any associated reassessment or restudy) in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facilities to the Distribution 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 Distribution Provider's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The 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 Distribution Provider, in consultation with the CAISO, as applicable, determines that Good Utility Practice, including Applicable Reliability Standards, otherwise require the use of different operating assumptions.

4.7.3 Interconnection Facilities Study Procedures.

Distribution Provider shall coordinate the Interconnection Facilities Study, as applicable, with the CAISO and any Affected System Operator that is affected by the Interconnection Request pursuant to Section 6.13 of the GIP. Distribution Provider shall utilize existing studies to the extent practicable in conducting the Interconnection Facilities Study.

Distribution Provider will coordinate Base Case development with the CAISO, if applicable, to ensure the Base Cases are accurately developed for the assessment of impacts on the CAISO Grid. Distribution Provider and CAISO, as applicable, will complete the study and issue a draft Interconnection Facilities Study Report to Interconnection Customer within one hundred twenty (120) Calendar Days after receipt of an executed Interconnection Facilities 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 Facilities Study, Distribution Provider will 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 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) Calendar Days after receipt of the draft Interconnection Facilities Study Report, provide written comments to Distribution Provider which Distribution Provider will include in completing the final Interconnection Facilities Study Report. 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. Distribution Provider may reasonably extend such fifteen (15) Business Day period upon notice to Interconnection Customer if Interconnection Customer's comments require Distribution Provider or the CAISO to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study Report. Upon request, Distribution Provider will 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 6.5 of the GIP.

4.7.4 Cost Responsibility for Distribution Upgrades.

The cost responsibility for Distribution Upgrades identified in the Interconnection Facilities Study shall be assigned to all Interconnection Requests in that Facilities Study in the same manner as set forth in the Cluster Study in GIP Section 4.5.4.3, based on the updated Base Case that reflects the results of the Cluster Study and any subsequent reassessment (including any applicable Cluster Restudies), pro rata on the basis of the each Interconnection Request's contribution to the need for the Distribution Upgrade. Notwithstanding the foregoing, each Interconnection Customer will be responsible for its allocated share of the actual costs of Distribution Upgrades as set forth in this Section 4.7.4.

4.7.5 Cost Responsibility for Network Upgrades.

4.7.5.1 Financing of Cost Responsibility for Reliability Network Upgrades

The cost responsibility for final Reliability Network Upgrades (which may include Substation Network Upgrades or System Network Upgrades) shall be identified and allocated in the same manner as set forth in the Cluster Study in Section 4.5.4.1, based on the updated Base Case that reflects the results of the Cluster Study and any subsequent reassessment (including any applicable Cluster Restudies), identified in the Interconnection Facilities

~~Study shall be assigned in accordance with the interconnection procedures of the CAISO Tariff, as applicable.~~

4.7.5.2 Cost Responsibility for Delivery Network Upgrades

The cost responsibility for all Local Delivery Network Upgrades and Area Delivery Network Upgrades shall be identified and allocated in the same manner as set forth in the Cluster Study in Section 4.5.4.2, based on the updated Base Case that reflects the results of the Cluster Study and any subsequent reassessment (including any Cluster Restudies) ~~assigned in accordance with the interconnection procedures of the CAISO Tariff.~~

Cost estimates for Area Delivery Network Upgrades provided in any Interconnection study report are estimates only and do not provide a maximum value for cost responsibility to an Interconnection Customer for Area Delivery Network Upgrades. However, subsequent to Interconnection Customer's receipt of its Interconnection Facilities Study report, an Interconnection Customer having selected Option (B) may have its Area Delivery Network Upgrades adjusted in the reassessment process undertaken in Section 4.6.2.

4.7.6 Distribution Provider Interconnection Facilities

The costs of any needed Distribution Provider Interconnection Facilities will be re-evaluated in the Interconnection Facilities Study based on the updated Base Case that reflects the results of the Cluster Study and any subsequent reassessment (including any Cluster Restudies) and will be directly assigned to the Interconnection Customer(s) using such facilities in the same manner as set forth in Section 4.5.5.

4.7.7 Interconnection Facilities Restudy

If restudy of the Interconnection Facilities Study is required due to a higher or equally queued project withdrawing from the interconnection queue or a modification of a higher or equally queued project pursuant to Section 4.5.7.2 of this GIP, Distribution Provider will update the Interconnection Facilities Study results via the reassessment described in Section 4.6 of the GIP. Any cost of restudy will be borne by the Interconnection Customer being restudied.

4.7.8 Results Meeting with Distribution Provider and CAISO.

Within thirty (30) Calendar Days of providing a final Interconnection Facilities Study report to Interconnection Customer, Distribution Provider, Interconnection Customer, and CAISO, as applicable, shall meet to discuss the results of the Interconnection Facilities Study, including selection of the final Commercial Operation Date.

4.7.98 CAISO Allocation Process for TP Deliverability

After the Interconnection Facilities Study reports are issued, the CAISO will perform the allocation of the TP Deliverability to Option (A) and Option (B) Generating Facilities as set forth in Section 8.9.2 of Appendix KK to the CAISO Tariff. Interconnection Customer is responsible for adherence to all requirements to retain TP Deliverability as set forth in Section 8.9.3 of Appendix KK to the CAISO Tariff.

4.8 [Not Used]

4.9. Generator Interconnection Agreement for the Cluster Study Process

4.9.1 Tender

Interconnection Customer will 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 latter of (a) the comments are submitted, or (b) Interconnection Customer notifies Distribution Provider it will not provide comments, Distribution Provider will tender a draft GIA, together with draft appendices. The draft GIA will be in the form of Distribution Provider's FERC-approved standard form GIA, which is Attachment E for the SGIA and Attachment G for the LGIA, as applicable.

Interconnection Customer will execute and return the GIA and completed draft appendices within thirty (30) Calendar Days, unless (1) the sixty (60) Calendar Day negotiation period under Section 4.9.2 of this GIP has commenced, or (2) GIA execution, or filing unexecuted, has been delayed to await the Affected System Study Report pursuant to Section 4.9.3 of the GIP.

4.9.1.1 Consistent with Section 4.9.1, when Distribution Provider is the Affected System, the draft GIA will be with the host interconnecting transmission owner and Distribution Provider will issue to Interconnection Customer a draft Two-Party Affected Systems Facilities Construction Agreement, a standard form of which is Appendix 10 to the GIP or a draft Multi Party Affected Systems Facilities Construction Agreement, a standard form of which is Appendix 11 to the GIP.

4.9.2 Negotiation

Notwithstanding Section 4.9.1 of this GIP, at the request of Interconnection Customer, Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after Distribution Provider executes the Interconnection Facilities

Study Agreement. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after Distribution Provider provides Interconnection Customer with 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 GIA pursuant to Section 4.9.1 of this GIP and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 9 of the Tariff. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter 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 9 of the Tariff, within sixty (60) Calendar Days after tender of the draft GIA, it shall be deemed to have withdrawn its Interconnection Request. Distribution Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

4.9.3 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 it would be required to execute its GIA (or request that its GIA be filed unexecuted) pursuant to Section 4.9.2 of this GIP, Distribution Provider will, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report or two hundred and ten (210) Calendar Days after the tendering of the draft GIA and appendices, whichever is earlier.

If Interconnection Customer, after delaying GIA execution, or requesting unexecuted filing, to await Affected System Study Report, 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 4.9.2 of this GIP.

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.

4.9.4 GIA Execution and Filing of GIA, GIA Deposit

Once the Parties have completed negotiation of the GIA, the Parties shall execute the GIA. Distribution Provider will issue an executable copy of the GIA to Interconnection Customer via an electronic signature application. Interconnection Customer shall either (i) execute the GIA via electronic signature application; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. The electronic signature application will provide a final executed version of the GIA to all Parties. As an alternative to the electronic signature application, Parties may exchange hard copies of executable GIAs for hand signature. The GIA shall be considered executed as of the date that the Parties sign the GIA.

If the GIA is required to be filed at FERC due to (i) a non-conforming GIA, or (ii) a request by Interconnection Customer to file the GIA unexecuted, Distribution Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and provide 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, or within ten (10) Business Days after Interconnection Customer requests that Distribution provider file the GIA unexecuted at FERC, Interconnection Customer shall provide Distribution Provider with the following:

- (1) demonstration of continued Site Control pursuant to Section 4.7.1(2) of this GIP; and
- (2) the GIA Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the draft GIA minus the total amount of Commercial Readiness Deposits that Interconnection Customer has provided to Distribution Provider for its Interconnection Request.

Distribution Provider shall use GIA Deposit as (or as a portion of) the Interconnection Customer's security required under Article 11.5 of the LGIA and Article 6.3 of the SGIA.

Interconnection Customer may not request to suspend its LGIA under Article 5.16 of the LGIA 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 GIA and appendices under Section 4.9.1 of the GIP, or within ten (10) Business Days after Interconnection Customer requests that Distribution Provider file the GIA unexecuted at FERC as allowed in Section 4.9.4 of the GIP, the Interconnection Request will be deemed withdrawn pursuant to Section 1.10 of the GIP.

4.10 Transition Issues

This GIP is effective on the day Distribution Provider requested upon filing, subject to FERC approval of the GIP.

4.10.1 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 GIP) must meet all requirements of the new GIP, including the Site Control, Commercial Readiness Deposits, GIA Deposit, and any other requirements of the GIP, as applicable.

The schedule for any Cluster Study (applicable to Cluster 15 and forward) performed after the effective date of the GIP 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 GIP 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 1.10 of this GIP. 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 GIP.

4.10.2 Transition Issues Applicable to Active Interconnection Requests in the Independent Study Process

Interconnection Customers with active Interconnection Requests (active means Interconnection Request deemed complete and valid but has not executed a GIA or requested to file the GIA unexecuted as of the effective date of the GIP) in the Independent Study Process (that is being terminated) that have not executed an Interconnection System Impact Study Agreement (or Interconnection Facilities Study Agreement if the System Impact Study was waived) as of the effective date of this GIP will be deemed withdrawn pursuant to Section 1.10 of this GIP. In such case, Distribution Provider shall not assess Interconnection Customer any Withdrawal Penalty, and any Study Deposit received for the Interconnection System Impact and/or Interconnection Facilities Studies will be returned to Interconnection Customer, less any costs expended by Distribution Provider on behalf of Interconnection Customer.

Interconnection Customers with active Interconnection Requests in the Independent Study Process (that is being terminated) that have executed a Study Agreement(s) but have not completed the relevant Interconnection Studies (an Interconnection System Impact Study and/or an Interconnection Facilities Study) on the effective date of the GIP shall not be deemed withdrawn but shall complete the Interconnection Studies under the Independent Study Process prior to being tendered a draft GIA. Such Interconnection Requests remain subject to restudy and/ or reassessment provisions in the GIP. Any such projects will retain Interconnection Financial Security postings as required under the terminated Independent Study Process and will not be required to convert the postings to Commercial Readiness Deposit or GIA Deposit. The draft GIA will be based on the approved standard form LGIA or SGIA as of the effective date of the GIP as approved by FERC.

Interconnection Customers in this group may not make any proposed modifications to the Interconnection Request until after the Interconnection Studies are completed.

4.10.3 Transition Issues Applicable to Active Interconnection Requests in the Fast Track Process

There are no immediate transition issues applicable to active Interconnection Requests in the Fast Track Process, thus any active Interconnection Requests in the Fast Track process as of the effective date of this GIP will proceed under the Fast Track procedures to execution of the GIA, construction of any facilities, and commercial operation. Upon the effective date of the GIP, the applicable draft GIA will be based on the

approved FERC SGIA found in Attachment E to the Tariff.

SECTION 5. Under 10 kW Inverter Process

5.1 Applicability of Under 10 kW Inverter Process

The Under 10 kW Inverter Process is available to an Interconnection Customer proposing to interconnect its Generating Facility with the Distribution Provider's Distribution System if the Generating Facility is a certified inverter-based Generating Facility no larger than 10 kW. The form of Interconnection Request and the process for evaluating a request to interconnect such a Generating Facility are set forth in Appendix 6 to this GIP.

5.2 Timing For Submitting Interconnection Requests

An Interconnection Customer may submit an Interconnection Request for processing under the Under 10 kW Inverter Process at any time during the year.

SECTION 6. Provisions that Apply to All Interconnection Requests

6.1 Reasonable Efforts

Distribution Provider shall make reasonable efforts to meet all time frames provided in these procedures (other than specified Interconnection Study timelines pursuant to Section 1.11 of the GIP), including the payment of refunds, unless Distribution Provider and Interconnection Customer agree to a different schedule. If Distribution Provider cannot meet a deadline or timeline provided herein, it shall notify 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

6.1.1 Notice.

Any notice or request required or permitted to be given by either Party to the other and not required by this GIP to be given in writing may be so given by facsimile or e-mail.

6.2 Disputes

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this GIP 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 resolved in accordance with the Dispute Resolution Procedures set forth in Section 9 of the Tariff.

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 FERC, state, or local regulatory requirements, the CAISO Tariff or 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. Distribution Provider must be given at least five (5) 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

For purposes of this Section 6.5, “Party” or “Parties” shall mean Distribution Provider, Interconnection Customer, CAISO, or any combination of those entities.

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 a GIA.

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

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article-Section 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.

These confidentiality provisions are limited to information provided pursuant to this GIP.

6.5.1 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 nonconfidential 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 GIA; or (6) is required, in accordance with Section 6.5.6, 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 GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

6.5.2 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 set forth in Part 358 of FERC's Regulations, 18 CFR Part 358), employees, consultants, or to Affected Systems, 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 6.5 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 6.5.

6.5.3 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.

6.5.4 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.

6.5.5 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.

6.5.6 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 GIA.

Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use

Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

6.5.7 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 6.5. 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 6.5, 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 6.5, 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 6.5.

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

Notwithstanding anything in this Section 6.5 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 GIP, 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 GIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time 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.

6.5.9 Subject to the exception in Section 6.5.8 of this GIP, 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 GIP 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 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.

- 6.5.10 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).
- 6.5.11 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.

6.6 Comparability

Distribution Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this GIP. Distribution Provider shall process and analyze Interconnection Requests from all Interconnection Customers comparably, regardless of whether the Generating Facility is owned or operated by Distribution Provider, its subsidiaries or Affiliates, or others.

6.7 Record Retention

Distribution Provider shall maintain for three (3) years records, subject to audit, of all Interconnection Requests received under this GIP, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

6.8 Interaction between this GIP and Rule 21

- 6.8.1 Rule 21 Interconnection Requests and One-Time Election of WDAT GIA

Interconnection Customers with Interconnection Requests originally submitted under Rule 21 may elect a Wholesale Distribution Open Access Tariff (“WDAT”) GIA by notifying 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 117-2160) or applicable study agreement under the Rule 21 detailed study interconnection review process. On the date the WDAT GIA is executed by Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the FERC, except as otherwise provided in the WDAT GIA.

6.8.2 Rule 21 Interconnection Requests under the Cluster Study Process

Interconnection Requests originally submitted under Rule 21 that fail Rule 21, Section G.3.a (Screen Q) or elect to be studied under the Cluster Study Process must file an Interconnection Request under the WDAT Cluster Study Process pursuant to Rule 21, Section F.3.c. 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 Distribution Provider in writing no later than seven (7) Calendar Days after Distribution Provider provides the final Phase II Interconnection Study report to 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 Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the CPUC, except as otherwise provided in the Rule 21 GIA.

6.9 Commencement of Interconnection Activities

If Interconnection Customer executes the final GIA, Distribution Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC. Upon submission of an unexecuted GIA, Interconnection Customer and Distribution Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.

6.10 Interconnection Customer To Meet Requirements of Distribution Provider’s Interconnection Handbook

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

6.11 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 MW electrical output; (ii) the location by county and state; (iii) the area, station, or distribution circuit or circuits where the interconnection will be made; (iv) the most recent Commercial Operation Date requested by Interconnection Customer; (v) the status of the Interconnection Request, including whether it is active or withdrawn; (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; and (ix) the requested Deliverability Status.

Except in the case of an Affiliate, the list will not disclose the identity of Interconnection Customer until Interconnection Customer executes a GIA or requests that Distribution Provider file an unexecuted GIA 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. Distribution Provider shall also post to its website non-confidential portions of the Interconnection Studies, as applicable, following the final Results Meeting or thirty (30) Calendar Days after the completion of such study if the Results Meeting is waived.

6.12 Record Retention

Distribution Provider shall maintain for three (3) 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.

6.13 Coordination with Affected Systems

Distribution Provider in its role as Transmission Provider, in consultation with CAISO, as applicable, 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. Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this GIP. Interconnection Customer will cooperate with Transmission Provider, the CAISO as applicable, 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 the identification of Interconnection Customer's name, Generating Facility project name, and release of information that Interconnection Customer provided as part of its Interconnection Request to the Affected System, and participating in any coordinating activities and communications undertaken by the Affected System or Transmission Provider.

If required by an identified Affected System, Interconnection Customer will sign separate study agreements with the identified Affected System and pay for

necessary studies. Identified Affected Systems will coordinate with Distribution Provider and the CAISO, as applicable, in all matters related to the identified Affected System Operator's determination of modifications to identified Affected Systems.

A Transmission Provider whose system may be impacted by a proposed interconnection on another transmission provider's transmission system shall cooperate with transmission provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Transmission Provider's Transmission System.

6.13.1 Initial Notification of identification as Affected System

Transmission Provider, in consultation with CAISO, as applicable, will provide notice to the Affected System Operators that are potentially affected by the Interconnection Customer's Interconnection Request or Cluster Study within ten (10) Business Days after determining which projects in each Queue Cluster have posted their additional Commercial Readiness Deposit to bring the total to five percent (5%) of Interconnection Customer's Network Upgrade cost, pursuant to Section 4.6.3 of the GIP.

Transmission Provider may later notify Affected Systems if (i) Transmission Provider failed to identify the Affected System initially; (ii) Interconnection Customer modifies its Interconnection Request such that an electric system becomes a potentially Affected System; or (iii) Interconnection Customer converts from interconnecting under the Tariff to interconnecting under the CAISO Tariff and the same Affected Systems were not notified previously or the conversion was due to a system change. In such cases, Transmission Provider, in consultation with CAISO, as applicable, will coordinate with Interconnection Customer and the potentially Affected System Operator to develop and expedited timeline to determine whether the Affected System is an identified Affected System. Transmission Provider will then notify Interconnection Customer as soon as practical of the newly identified Affected System.

Within sixty (60) Calendar Days of notification from Transmission Provider, the Affected System Operator will advise Distribution Provider and CAISO, as applicable, in writing that either: (i) Distribution Provider and CAISO 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 Transmission Provider or CAISO, as applicable, within sixty (60) Calendar Days of notification, Transmission Provider will assume that the electric system is not an Affected System.

If an electric system operator advises Transmission Provider or CAISO, as applicable, that it is an identified Affected System after the 60-day notification period, Transmission Provider will not delay the

synchronization or Commercial Operation of the Generating facility for mitigation required by the Affected System unless the Affected System identifies, and Transmission Provider or CAISO confirms, a legitimate reliability issue. Where legitimate reliability issues are present, Transmission Provider and CAISO, as applicable, will work with the Affected System and 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 Tariff or CAISO Tariff are unaffected by these provisions.

At the time of initial notification, Transmission Provider must provide Interconnection Customer with a list of potential Affected Systems, along with relevant contact information.

6.13.2 Notification of Cluster Restudy

Transmission Provider must notify Affected System Operator of a Cluster Restudy concurrently with its notification of such Cluster Restudy to Interconnection Customers.

6.13.3 Notification of Cluster Restudy Completion

Upon the completion of Transmission Provider's Cluster Restudy, Transmission Provider will notify Affected System Operator of a potential Affected System impact caused by an Interconnection Request within ten (10) Business Days of the completion of the Cluster Restudy, regardless of whether that potential Affected System impact was previously identified. At the time of the notification of the completion of the Cluster Restudy to the Affected System Operator, Transmission Provider must provide Interconnection Customer with a list of potential Affected System Operators, along with relevant contact information.

6.14 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 Distribution Provider, unless Interconnection Customer demonstrates and 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. Distribution Provider's agreement to an extension of the proposed Commercial Operation Date does not relieve Interconnection Customer from compliance with the requirements of any of the criteria in Section 8.9.3 of Appendix KK of the CAISO Tariff for retention of TP Deliverability.

The following paragraph applies to Generating Facilities larger than 20 MW: 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 Distribution Provider and those requested prior to execution of the GIA by Interconnection Customer or the filing of an unexecuted GIA by Distribution Provider.

6.15 Local Furnishing Bonds

6.15.1 Distribution Providers That Own Facilities Financed by Local Furnishing Bonds.

This Section 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 the GIA and GIP, Distribution Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to the GIA and this GIP 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.

6.15.2 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 Interconnection Customer within thirty (30) Calendar Days of receipt of the Interconnection Request.

6.16 Capacity of the Generating Facility

6.16.1 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.

6.16.2 If the Interconnection Request is for a Generating Facility that includes multiple energy production devices at a site for which 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.

6.16.3 The Interconnection Request shall be evaluated using the maximum

capacity that the Generating Facility is capable of injecting into Distribution Provider's electric system. However, if the maximum capacity that the Generating Facility is capable of injecting into 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 Interconnection Customer must obtain Distribution Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of Distribution Provider's system. If 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 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.

6.17 Third-party Interconnection Facilities

Interconnection Customers proposing to use third-party Interconnection Facilities must provide documentation to Distribution Provider demonstrating they are negotiating or have secured rights on those Interconnection Facilities to be deemed complete and valid pursuant to Sections 1.3.2 and 4.2.3 of the GIP. Within twenty (20) days after the Cluster Study Results Meeting, such Interconnection Customers must provide documentation to Distribution Provider demonstrating they have secured rights on those third-party Interconnection Facilities through the proposed Commercial Operation Date of the Generating Facility.

SECTION 7. General Provisions for the Engineering & Procurement (“E&P”) Agreement

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, an E&P Agreement that authorizes Distribution Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Distribution Provider shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of this GIP. The E&P Agreement is an optional procedure. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Distribution Provider may elect: (i) to take title to the equipment, in which event Distribution Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment; or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

SECTION 8. General Provisions Concerning Construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades. Affected Systems Study Procedures. General Provisions Concerning Funding of Network Upgrades

This Section 8 shall apply, as pertinent, to any Interconnection Request processed under the GIP.

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 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 Construction of Network Upgrades that are or were an Obligation of an Entity other than Interconnection Customer.

Distribution Provider shall be responsible for constructing any Network Upgrades necessary to support the interconnection of the Generating Facility of an Interconnection Customer with a GIA whenever the Network Upgrades were included in the interconnection Base Case data for an Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed and effective GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its equivalent predecessor agreement) filed with FERC, and such GIA specifies that Distribution Provider would finance and construct the Network Upgrades, and either:

8.2.2.1 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

8.2.2.2 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); and

8.2.2.3 Distribution Provider, in coordination with the CAISO, 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.

Where Distribution Provider is constructing Area Delivery Network Upgrades for Option (B) Interconnection Customers and either: Sections 8.2.2.1 or 8.2.2.2 above occurs, Distribution Provider shall continue to construct such Area Delivery Network Upgrades with financing provided from the Commercial Readiness Deposit or GIA Deposit of those Option (B) Interconnection Customers, with any additional financing requirements to be reapportioned among those remaining Option (B) Interconnection Customers in the same Cluster Study who still need the Area Delivery Network Upgrades to achieve Full Capacity Deliverability Status or Partial Capacity Deliverability Status. In no case will Distribution Provider become financially responsible for Area Delivery Network Upgrades required for Option (B) Interconnection Customers.

Further, to the extent the timing of such Network Upgrades was not accounted for in determining a reasonable Commercial Operation Date among Distribution Provider, CAISO, and Interconnection Customer as part of the Interconnection Studies, Distribution Provider will use Reasonable Efforts to ensure that the construction of such Network Upgrades can accommodate 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 Interconnection Customer's proposed Commercial Operation Date, Interconnection Customer may commit to pay 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 Section 8.2.2 shall be in addition to Interconnection Customer's cost responsibility assigned under the applicable Interconnection Studies.

8.2.3 Advancing Construction of Distribution Upgrades and Network Upgrades that are Part of an Expansion Plan of 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 CAISO transmission plan covering 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

With the exception of Local Delivery Network Upgrades and Area Delivery Network Upgrades for Option (B) Generating Facilities that were not allocated TP Deliverability, Network Upgrades will be constructed by Distribution Provider. Interconnection Customers may, at their discretion, select parties other than the applicable Distribution Provider to construct certain Local Delivery Network Upgrades and Area Delivery Network Upgrades required by their Option (B) Generating facilities that are not allocated TP Deliverability, if such Local Delivery Network Upgrades and Area Delivery Network Upgrades are eligible for construction by parties other than Distribution Provider pursuant to Section 24.5.2 of the CAISO Tariff. Such Area Delivery Network Upgrades and Local Delivery Network Upgrades will be incorporated into the CAISO Grid pursuant to the provisions for Merchant Transmission Facilities in CAISO Tariff Sections 24.4.6.1 and 36.11. Unless Interconnection Customer elects construction by a party other than Distribution Provider, Distribution Provider will be obligated to construct the Local Delivery Network Upgrades and Area Delivery Network Upgrades. This Section shall not apply to an Interconnection Customer's right to build Stand Alone Network Upgrades in accordance with the GIA.

8.3.1 Initial Funding of Network Upgrades.

Unless Distribution Provider elects to fund the full capital for identified Reliability and Delivery Network Upgrades, they shall be funded by Interconnection Customer(s) either by means of drawing down the Commercial Readiness Deposit or GIA Deposit 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 Distribution Provider does not elect to fund the full capital for specific Reliability and Delivery Network Upgrades, 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 Interconnection Customer(s) under the respective Interconnection Study Process.

8.3.1.1 Where the funding responsibility for any Reliability Network Upgrades or Local Delivery Network Upgrades has been assigned to a single Interconnection Customer in accordance with this GIP, and Distribution Provider has elected not to fund the

full capital of the Reliability Network Upgrades or Local Delivery Network Upgrades, Distribution Provider shall invoice Interconnection Customer under Article 12.1 of the LGIA and Article 6.1 of the SGIA, whichever is applicable, 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.

- 8.3.1.2 Where the funding responsibility for a Reliability Network Upgrade or Local Delivery Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GIP, and Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade or Local Delivery Network Upgrade, Distribution Provider shall invoice each Interconnection Customer under Article 12.1 of the LGIA and Article 6.1 of the SGIA, whichever is applicable, for such Network Upgrades up to a maximum amount no greater than that established by the cost responsibility assigned to that Interconnection Customer under the respective Interconnection Study Process.
- 8.3.1.3 Where the funding responsibility for an Area Delivery Network Upgrade has been assigned to more than one Option (B) Interconnection Customer in accordance with this GIP, , Distribution Provider shall invoice each Interconnection Customer under Article 12.1 of the LGIA and Article 6.1 of the SGIA, whichever is applicable, for such Area Delivery Network Upgrade up to a maximum amount no greater than that established by the cost responsibility for Area 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 Repayment of Amounts Advanced for Network Upgrades

Interconnection Customer may receive repayment for amounts advanced for certain Network Upgrades as set forth in Section 14.3.2 of Appendix KK to the CAISO Tariff and Article 11.4 of the LGIA and Article 5.2.1 of the SGIA.

8.4 Special Provisions for Affected System GIAs separate from Distribution Provider GIAs

Interconnection Customer shall enter into an agreement with the owner of the Affected System. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the owner of the Affected System. The agreement may be modeled after the GIA, with appropriate modifications.

8.4.1 Cost Allocation, Commercial Readiness Deposit, GIA Deposit and Reimbursement for one or more Participating Transmission Owners under CAISO Tariff

If the Affected System owner(s) is also a Participating Transmission Owner(s) under the CAISO Tariff, cost allocation, Commercial Readiness Deposits, GIA Deposit, and reimbursement for Reliability Network Upgrades for owner(s) of the Affected System that are Participating Transmission Owners, along with any other impacted transmission owner(s) are set forth in Section 14.4.1 of the Appendix KK to the CAISO Tariff.

8.5 Affected System Study

Distribution Provider in its role as Transmission Provider, whose Transmission or Distribution System may be impacted by a proposed interconnection on another transmission provider's transmission system will cooperate with the transmission provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to the Distribution System or the CAISO Grid.

8.5.1 Applicability

This Section 8.5 outlines the duties of Transmission Provider when it receives notification that an Affected System Interconnection Customer's proposed interconnection to its host transmission provider may impact the Transmission Provider's Transmission System or Distribution Provider's Distribution System.

8.5.2 Response to Initial Notifications

8.5.2.1 Response to Initial Notification

When Transmission Provider receives initial notification either following the Cluster Study or a reassessment (including a Cluster Restudy) that an Affected System Interconnection Customer's proposed interconnection to its host transmission provider may impact the Transmission or Distribution System, Transmission Provider must respond in writing within twenty (20) Business Days whether Transmission Provider intends to conduct an Affected System Study.

By fifteen (15) Business Days after Transmission Provider responds with its affirmative intent to conduct an Affected

System Study, Transmission Provider will share with Affected System Interconnection Customer(s) and the Affected System Interconnection Customer's host transmission provider a non-binding good faith estimate of the cost and the schedule to complete the Affected System Study.

8.5.2.23 Response to Notification of Cluster Restudy

Within five (5) Business Days of receipt of notification of Cluster Restudy, Transmission Provider will send written notification to Affected System Interconnection Customer(s) involved in the Cluster Restudy and the host transmission provider that Transmission Provider intends to delay a planned or in-progress Affected System Study until after completion of the Cluster Restudy. If Transmission Provider decides to delay the Affected System Study, it is not required to meet its obligations under Section 8.4 of this GIP until the time that it receives notification from the host transmission provider that the Cluster Restudy is complete. If Transmission Provider decides to move forward with its Affected System Study despite the Cluster Restudy, then it must meet all requirements under Section 8.4 of this GIP.

8.5.34 Affected System Queue Position

Transmission 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 will be assigned based upon the date of execution of the Affected System Study Agreement. Relative to Transmission Provider's Interconnection Customers, this Affected System Queue Position will be higher-queued than any Queue Cluster that has not yet received its Cluster Study Report and will be lower-queued than any Queue Cluster that has already received its Cluster Study Report.

Consistent with Section 8.4.8 of this GIP, Transmission Provider, in consultation with CAISO, as applicable, shall study the Affected System Interconnection Customer(s) via Clustering, and all Affected System Interconnection Customers studied in the same Queue Cluster under Section 8.4.8 of this GIP will be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position will 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 will be allocated among the Affected System Interconnection Customers in accordance with Section 8.4.10 of this GIP.

8.5.**54** Affected System Study Agreement/Multiparty Affected System Study Agreement

Unless otherwise agreed, Transmission Provider will 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 GIP, as applicable, within ten (10) Business Days of Transmission Provider sharing the schedule for the Affected System Study per Section 8.4.2 of this GIP.

Upon Affected System Interconnection Customer(s)' receipt of the Affected System Study Report, Affected System Interconnection Customer(s) will compensate Transmission 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 will be paid by or refunded to the Affected System Interconnection Customer(s). Any invoices for the Affected System Study will include a detailed and itemized accounting of the cost of the study. Affected System Interconnection Customer(s) will 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 will lose its Affected System Queue Position. Transmission Provider will notify the Affected System Interconnection Customer's host transmission provider and the CAISO, as applicable, of such failure to pay.

8.5.**56** Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement

Affected System Interconnection Customer(s) will execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement to Transmission Provider, and provide the Affected System Study deposit within ten (10) Business Days of receipt.

If Transmission Provider notifies Affected System Interconnection Customer(s) that it will delay the Affected System Study pursuant to Section 8.4.3 of this GIP, 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, Transmission Provider will notify the deficient Affected System Interconnection

Customer, the CAISO, as applicable, and the host transmission 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 will 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 will lose its Affected System Queue Position.

8.5.67 Scope of Affected System Study

The Affected System Study will evaluate the impact that any Affected System Interconnection Customer's proposed interconnection to another transmission provider's transmission system will have on the reliability of the Transmission or Distribution System. The Affected System Study will 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 the Transmission or Distribution System; (ii) are directly interconnected to another transmission 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 the Transmission or Distribution System; and (iv) have no queue position but have executed a GIA or requested that an unexecuted GIA be filed with FERC. Transmission Provider and the CAISO, as applicable have no obligation to study impacts of Affected System Interconnection Customers of which they are not notified.

The Affected System Study will 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 if of interconnection service on its host transmission 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 will 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 will provide a list of facilities that are required as a result of Affected System Interconnection Customer's proposed interconnection to another transmission 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.

8.5.78 Affected System Study Procedures

Transmission Provider, in consultation with CAISO, as applicable, will use Clustering in conducting the Affected System Study and will use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Queue Cluster may cause the need for Affected System Network Upgrades. Transmission Provider will complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s), the CAISO, as applicable, and the host transmission 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, Transmission Provider will notify Affected System Interconnection Customer as to the status of the Affected System Study. If Transmission Provider is unable to complete the Affected System Study within the requisite time period, it will notify Affected System Interconnection Customer(s), as well as transmission provider with which Affected System Interconnection Customer seeks to interconnect, and will provide an estimated completion date with an explanation of the reasons why additional time is required. If Transmission Provider does not meet the deadlines in this Section, Transmission Provider will be subject to the financial penalties as described in Section 1.11 of this GIP. Upon request, Transmission Provider will 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 GIP.

Transmission Provider must study an Affected System Interconnection Customer as Energy Only Deliverability Status, regardless of the level of interconnection service that Affected System Interconnection Customer is seeking from the host transmission provider with whom it seeks to interconnect.

8.5.89 Results Meeting with Transmission Provider and CAISO

Within ten (10) Business Days of providing the Affected System Study

Report to Affected System Interconnection Customer(s), Transmission Provider, the CAISO, as applicable, and Affected System Interconnection Customer(s) will meet to discuss the results of the Affected System Study.

8.5.910 Affected System Cost Allocation

Transmission Provider will 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 4.5.4 of this GIP.

8.5.104 Tender of Affected Systems Facilities Construction Agreement/Multiparty Affected Systems Facilities Construction Agreement

Transmission Provider will 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 11 or 12 to this GIP, 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. Transmission Provider will 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, will result in the loss of its Affected System Queue Position.

8.5.121 Restudy

If restudy of the Affected System Study is required, Transmission Provider will notify Affected System Interconnection Customer(s) and the CAISO, as applicable, in writing within thirty (30) Calendar Days of discovery of the need for restudy. Such restudy will take no longer than sixty (60) Calendar Days from the date of notice. Any cost of restudy will be borne by the Affected System Interconnection Customer(s) being restudied.

8.6 Limited Operation Study

8.6.1 Pursuant to Article 5.9.1 of the LGIA as set forth in Attachment G, Generating Facilities may request a limited operation study. Distribution Provider in its role as Transmission Provider and/or the CAISO, as applicable, will, upon the request and at the expense of Interconnection Customer, perform operating studies on a timely basis to determine the

extent to which the Generating Unit and Interconnection Customer's Interconnection Facilities may operate prior to the completion of Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice. Transmission Provider and the CAISO will permit Interconnection Customer to operate the Generating Unit and Interconnection Customer's Interconnection Facilities in accordance with the results of such studies. To the extent study assumptions change, the CAISO and Distribution Provider will update study results as needed.

8.6.2 The Generating Unit owner will provide Transmission Provider a \$10,000 deposit for the limited operation study with the request. Except as provided below, any limited operation study will be concluded, and a response provided to the Generating Unit owner in writing, within forty-five (45) Calendar Days from when the Transmission Provider receives all of the following: the Generating Unit owner's written approval of the limited operation study plan, technical data required to assess the request, and the \$10,000 deposit. If the limited operation study cannot be completed within that time period, Transmission Provider will notify the Generating Unit owner and provide an estimated completion date and an explanation of the reasons why additional time is required.

Notwithstanding any other provision, all refunds pursuant to this GIP will be processed in accordance with Transmission Provider's generally accepted accounting practices. Any deadline will be tolled to the extent Interconnection Customer has not provided Transmission Provider with the appropriate documents to facilitate Interconnection Customer's refund, or if Interconnection Customer has any outstanding invoice balance due to Transmission Provider or the CAISO on another project owned by the same Interconnection Customer.

8.6.3 The Generating Unit owner will be responsible for the actual costs incurred by Transmission Provider and CAISO in conducting the modification assessment. If the actual costs of the limited operation study are less than the deposit provided by the Generating Unit owner, the Generating Unit owner will be refunded the balance. If the actual costs of the limited operation study are greater than the deposit provided by the Generating Unit owner, the Generating Unit owner shall pay the balance within thirty (30) days of being invoiced. Transmission Provider will coordinate the request with the CAISO and invoice or refund Interconnection Customer, as applicable for the CAISO's and Transmission Provider's costs for the assessment.

SECTION 9 – Commercial Readiness Deposit and GIA Deposit

9.1 Types of Commercial Readiness Deposit and GIA Deposit

The Commercial Readiness Deposit and GIA Deposit posted by an Interconnection Customer may be any combination of the following types of financial instrument(s) provided in favor of the applicable Distribution Provider(s):

- (a) 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 Poors or A2 or better by Moody's;
- (b) 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;
- (c) an unconditional and irrevocable guaranty issued by a company has a credit rating of A or better by Standard and Poors or A2 or better by Moody's;
- (d) a cash deposit standing to the credit of the applicable Distribution Provider(s) in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to the applicable Distribution Provider(s);
- (e) a certificate of deposit in the name of the applicable Distribution Provider(s) issued by a bank or financial institution that has a credit rating of A or better by Standard and Poors or A2 or better by Moody's; or
- (f) a payment bond certificate in the name of the applicable Distribution Provider(s) issued by a bank or financial institution that has a credit rating of A or better by Standard and Poors or A2 or better by Moody's.

Commercial Readiness Deposit and GIA Deposit instruments as listed above shall be in such form as 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 Distribution Provider.

Distribution Provider shall publish and maintain standardized forms related to the types of deposits listed above which shall be accessible on Distribution Provider's website. Distribution Provider shall require the use of standardized forms of Commercial Readiness Deposit and GIA Deposit to the greatest extent possible. If at any time the guarantor of the Commercial Readiness Deposit or GIA Deposit fails to maintain the credit rating required by this Section, Interconnection Customer shall provide to the applicable Distribution Provider(s) replacement Commercial Readiness Deposit or GIA Deposit meeting the requirements of this Section within five (5) Business Days of the change in credit rating.

Distribution Provider shall, upon receipt, deposit all Commercial Readiness Deposit, GIA Deposit, and other deposit amounts in an interest-bearing account at a bank or financial institution designated by Distribution Provider. Interest on a cash deposit standing to the credit of the applicable Distribution Provider(s) in an interest-bearing escrow account under subpart (d) of this Section will accrue to Interconnection Customer's benefit and will be added to Interconnection Customer's account on a monthly basis. Any interest earned on such amounts, based on the actual rate of the account, shall be allocated and disbursed in the same manner as the principal, in accordance with the methodology set forth in this Section 4.6.7 of the GIP.

9.2 Notification to CAISO and Accounting by Distribution Provider

Distribution Provider will notify the CAISO, as applicable, within three (3) Business Days of liquidating any deposit. Within thirty (30) Calendar Days of any liquidating event, Distribution Provider will provide the CAISO and Interconnection Customer with an accounting of the disposition of the proceeds of the liquidated deposit and remit to the CAISO all proceeds not otherwise reimbursed to Interconnection Customer or applied to costs incurred or irrevocably committed by Distribution Provider on behalf of Interconnection Customer in accordance with this Section.

Withdrawal Penalties remitted to the CAISO in accordance with Section 1.10.1, and funds that are received by the CAISO from a Distribution Provider pursuant to the GIP for such funds to be distributed by the CAISO, shall be treated in accordance with CAISO Tariff Section 37.9.4.

ATTACHMENT 1 To the GIP

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 Appendix 6 to the GIP .

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 or Transmission Provider's Transmission System that may be affected by the proposed interconnection.

Affected System Distribution Upgrades shall mean the additions, modifications, and upgrades to Distribution Provider's Distribution System, excluding Interconnection Facilities, required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than Transmission Provider's Transmission System.

Affected System Facilities Construction Agreement shall mean the agreement contained in Appendix 11 to the GIP 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 Distribution Provider's interconnection queue relative to Distribution 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 that have an impact on Transmission Provider's Transmission System or Distribution Provider's Distribution System, as described in Section 8.4 of the GIP.

Affected System Study Agreement shall mean the agreement contained in Appendix 9 to this GIP that is made between Transmission Provider and Affected System Interconnection Customer to conduct an Affected System Study pursuant to Section 8.4 of the GIP.

Affected System Study Report shall mean the report issued following completion of an Affected System Study pursuant to Section 8.4.8 of the GIP.

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.

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 either (a) would constrain the deliverability of a substantial number of generators if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Grid in a total amount that is greater than the TP Deliverability for those areas; (b) 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 portfolio for the entire portfolio area; or (c) constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrades 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 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 GIA (or its equivalent predecessor agreement) or for which an unexecuted GIA (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 Monday through Friday, excluding Federal Holidays.

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.

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

CAISO Tariff shall mean the current and effective California Independent System Operator Corporation Operating Agreement and Tariff, as it may be modified from time to time, and accepted by FERC.

CAISO Tariff Resource Interconnection Standards (RIS), previously referred to as Generator Interconnection Procedures (GIP) or CAISO's Generator Interconnection and Deliverability Allocation Procedures (GIDAP) shall mean the interconnection procedures included in the CAISO Tariff, or any successor interconnection procedures, as applicable, to interconnect a Generating Facility directly to the CAISO Grid, as such procedures may be modified from time to time, and accepted by FERC.

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

Cluster see Queue Cluster

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

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Section 4.6 of the GIP.

Cluster Restudy Report shall mean the report issued following completion of a Cluster Restudy pursuant to Section 4.6 of the GIP.

Cluster Restudy Results Meeting shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Section 4.6 of the GIP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 4 of this GIP.

Cluster Study Agreement shall mean the pro forma agreement between Distribution Provider and Interconnection Customer for conducting Interconnection Studies for a proposed Generating Facility under the GIP. The form of study agreement is contained in Appendix 5 to the GIP.

Cluster Study Process shall mean the following processes, conducted in sequence: the Cluster Application Window; the Customer Engagement Window and Scoping Meetings therein; the Cluster Study; any needed Cluster Restudies or reassessments; and the Interconnection Facilities Study.

Cluster Study Report shall mean the report issued following completion of a Cluster Study pursuant to Section 4.5.6 of the GIP.

Cluster Study Results Meeting shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 4.5.7 of the GIP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Section 4 of this GIP.

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.

Commercial Readiness Deposit shall mean a deposit paid by Interconnection Customer(s) as set forth in Section 9 of the GIP.

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 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 Interconnection Customer that occur after receipt of all appropriate governmental approvals needed for Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

Customer Engagement Window shall mean the time period set forth in Section 4.2.4 of the GIP.

Customer Options Meeting shall mean a meeting between Interconnection Customer and 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

Generating Facility to be connected safely and reliably pursuant to Section 2.6 of the GIP.

CPUC shall mean the California Public Utilities Commission or its successor.

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

Deliverability shall mean 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.

Deliverability Assessment(s) shall mean an evaluation performed by the CAISO pursuant to the CAISO's On-Peak Deliverability Assessment which determines if a Generating Facility or a group of Generating Facilities could provide energy to the CAISO Grid and be delivered to the aggregate of load on the CAISO Grid at peak load, under a variety of severely stressed conditions as further described in Section 8.9 of Appendix KK to the CAISO Tariff.

Delivery Network Upgrades shall mean the transmission facilities at or beyond the point where Distribution Provider's Distribution System interconnects to the CAISO Grid, other than Reliability Network Upgrades, identified in the Interconnection Studies to relieve constraints on the CAISO 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 as set forth in Section 9 of the Tariff.

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 GIA 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 Distribution Owner is separate from Distribution Provider.

Distribution Provider's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by 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-CAISO transmission and distribution facilities owned, controlled and operated by 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 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 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 unless 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) and the Western Electricity Coordinating Council (WECC) or their successor organizations.

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 nondiscriminatory manner) to cause a material adverse effect on the security of, or damage to Distribution Provider's Transmission or Distribution System, Distribution Provider's Interconnection Facilities or the electric systems of others to which Distribution Provider's Transmission or 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 LGIA or SGIA to possess black start capability.

Energy-Only Deliverability Status shall mean a condition on the CAISO Grid elected by an Interconnection Customer for a Generating Facility interconnected to Distribution System, the result of which is that 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 CAISO Tariff) of zero and, therefore, cannot be considered to be a Resource Adequacy Resource (as defined in the CAISO Tariff).

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

Fast Track Process shall mean the interconnection study process set forth in Section 2 of the GIP.

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 entitles a Generating Facility interconnected with the Distribution System to a Net Qualifying Capacity (as defined in the CAISO Tariff) amount on the CAISO Grid that could be as large as its Qualifying Capacity (as defined in the CAISO Tariff) and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO.

General Reliability Network Upgrade shall mean the CAISO defined term used to denote Reliability Network Upgrades that are not Interconnection Reliability Network Upgrades. This term is synonymous with the defined term **System Network Upgrade**.

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.

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 a *pro forma* Interconnection Agreement for a Generating Facility processed under the GIP as set forth in Attachment E, which contains the Small Generator Interconnection Agreement (SGIA) applicable to Generating Facilities no larger than 20 MW or Attachment G, which contains the Large Generator Interconnection Agreement (LGIA) applicable to Generating Facilities larger than 20 MW. For an Interconnection Customer who chooses a state-jurisdictional GIA pursuant to Section 6.8 of the GIP, the *pro forma* version will be the CPUC-approved form Rule 21 GIA.

GIA Deposit shall mean the deposit Interconnection Customer submits when returning the executed GIA, or within ten (10) Business Days of requesting that the GIA be filed unexecuted at the Commission, in accordance with Section 9 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.

Initial Review shall mean the review by Distribution Provider utilizing screens set forth in Section 2.5 of this GIP to determine if the Generating Facility qualifies for Fast Track Interconnection.

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 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 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 Interconnection Customer 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 Distribution Provider's Distribution System. The scope of the study is defined in Section 4.7 of the GIP.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 8 of the GIP 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 4.7 of the GIP.

Interconnection Handbook shall mean a handbook, developed by Distribution Provider and posted on Distribution Provider's website or otherwise made available by 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 GIP and the terms of Distribution Provider's Interconnection Handbook, the terms in the GIP shall govern.

Interconnection Reliability Network Upgrade shall mean the CAISO defined term used to denote Network Upgrades located at the Point of Interconnection to accomplish the physical interconnection of the Generating Facility to the CAISO Grid. Interconnection Reliability Network Upgrades are treated as Reliability Network Upgrades unless otherwise noted. This term is synonymous with the defined term Substation Network Upgrade.

Interconnection Request shall mean Interconnection Customer's request, in accordance with the Tariff and the CAISO 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. The Interconnection Request form is Appendix 1 to the GIP.

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: the Cluster Study, the Cluster Restudy, the Affected System Study, the Interconnection Facilities Study, the Material Modification assessment, and any reassessment of any of these, as described in the GIP..

Interconnection Study Cycle shall mean all requirements, actions, and respective obligations of Distribution Provider and Interconnection Customer under the Fast Track Process or the Cluster Study Process of the GIP applicable to an Interconnection Request.

Interconnection Study Deposit shall mean the cash deposit provided to Distribution Provider under Section 4.2.1 of the GIP as a requirement of a valid Interconnection Request to be used to offset the cost of the Interconnection Studies.

IRS shall mean the Internal Revenue Service.

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

LGIA Deposit see GIA Deposit

Local Deliverability Constraint shall mean a Transmission System operating limit 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 Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrades shall mean a transmission upgrade or addition identified by the CAISO 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 and valid interconnection request to Distribution Provider or the CAISO with an equal or later Queue Position.

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, MW-hour-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 Appendix 12 to this GIP that is made among Distribution 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 Distribution Provider's Transmission System or Distribution Upgrades on Distribution Provider's Distribution System.

Multiparty Affected System Study Agreement shall mean the agreement contained in Appendix 10 to this GIP that is made among Distribution Provider and multiple Affected System Interconnection Customers to conduct an Affected System Study pursuant to Section 8.4 of the GIP.

Network Upgrades shall mean additions, modifications, and upgrades to 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 Distribution System. Network Upgrades do not include Distribution Upgrades.

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

On-Peak Deliverability Assessment shall mean the technical study performed by the CAISO under Section 4.5.4.2.1 of the GIP.

Option (A) Generating Facility shall mean a Generating Facility for which Interconnection Customer has selected Option (A) as the Deliverability option under Section 4.6.1 of the GIP.

Option (B) Generating Facility shall mean a Generating Facility for which Interconnection Customer has selected Option (B) as the Deliverability option under Section 4.6.1 of the GIP.

Partial Capacity Deliverability Status entitles a Generating Facility to a Net Qualifying Capacity amount that cannot be larger than a specified fraction of its Qualifying Capacity, and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO (as defined

in the CAISO Tariff), and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO. An Interconnection Customer requesting Partial Capacity Deliverability Status must specify the amount in MW of Full Capacity Deliverability Status it is seeking in its Interconnection Request.

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 the GIA, where Interconnection Customer's Interconnection Facilities connect to Distribution Provider's Interconnection Facilities.

Point of Interconnection shall mean the point, as set forth in the GIA, where the Interconnection Facilities connect with Distribution Provider's Distribution System.

Pre-Construction Activities shall mean the actions by Distribution Provider, other than those required by an Engineering & Procurement Agreement under Section 7 of the GIP, 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 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.

President's Critical Infrastructure Protection Board shall mean the federal critical infrastructure protection board created by Executive Order 13231 on October 16, 2001 which is charged with recommending policies and coordinating programs for protecting information systems for critical infrastructure. Critical infrastructure, as defined in the Patriot Act of 2001, means systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters.

Proportional Impact Method shall mean a technical analysis conducted by Distribution Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.

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

Queue Position shall mean the order of a ~~deemed~~-complete and valid Interconnection Request, relative to all other pending ~~deemed~~-complete and valid Interconnection Requests, ~~that is~~ established pursuant to Section 1.3.3 of the GIP.

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 Distribution Provider's Distribution System interconnects to the CAISO Grid, identified in the Interconnection Studies as necessary to interconnect one or more Generating Facility(ies)

safely and reliably to the CAISO 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 system operating limits, occurring under any system condition, which system operating limits cannot be adequately mitigated through the CAISO's congestion management or operating procedures, 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 Electric Reliability Organization's practice and Applicable Reliability Standards, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a transmission path's rating. Reliability Network Upgrades located within a Network substation where the Point of Interconnection is located may be further classified as Substation Network Upgrades and when located outside of a Network substation where the Point of Interconnection is located such upgrades may be further classified as System Network Upgrades.

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

Rule 21 shall mean Distribution Provider's state-jurisdictional Electric Tariff Rule 21.

Rule 21 GIA shall mean the form of interconnection agreement applicable to an Interconnection Request for an Interconnection Customer who chooses a state-jurisdictional GIA pursuant to this GIP, the pro forma version of which will be the CPUC-approved form Rule 21 GIA for projects studied under the Cluster Study Process.

Scoping Meeting shall mean the meeting between representatives of Interconnection Customer(s) and Distribution Provider, and if applicable, the CAISO, 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 posted to Distribution Provider's website pursuant to Section 6.11 of this GIP, 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) for private land: (a) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; or (b) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility; or (c) 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. (2) for public land, including that controlled or managed by any federal, state or local agency, a final, non-appealable permit, license, or other right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility, which exclusive right to use public land under the management of the federal Bureau of Land Management shall be in a form specified by the Bureau of Land Management. Distribution Provider will maintain acreage requirements

for each Generating Facility type on its public website.

Site Control Deposit shall mean the cash deposit provided to Distribution Provider by Interconnection Customers under Section 4.2.1(iii) of this GIP in lieu of demonstrating Site Control for a valid Interconnection Request and treated in accordance with Section 4.2.1.3 of this GIP.

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

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that 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 an Appendix to the GIA. 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 with 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.

Substation Network Upgrades shall mean Network Upgrades that are required at the Network substation where the Point of Interconnection is located. The term Substation Network Upgrades and the CAISO defined term Interconnection Reliability Network Upgrades are synonymous.

Supplemental Review shall mean a request by an Interconnection Customer for Distribution Provider to conduct a review pursuant to Section 2.7 of the GIP.

System Network Upgrades shall mean Network Upgrades that are required beyond the Network substation where the Point of Interconnection is located. The term System Network Upgrades and the CAISO defined term General Reliability Network Upgrades are synonymous.

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

Tariff shall mean Distribution Provider's Wholesale Distribution Access 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.

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 Owner shall mean an entity that owns, leases or otherwise possesses an interest in

the Transmission System and may be a Party to the GIA to the extent necessary.

Transmission Plan shall mean the report prepared by the CAISO on an annual basis pursuant to Section 24 of the CAISO Tariff, which documents the outcome of the CAISO's transmission planning process by which the CAISO assesses 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 Transmission Owner when Transmission Owner is separate from Transmission Provider.

Transmission System shall mean those facilities owned by Transmission Provider or Transmission Owner that are used to provide transmission service under the Tariff, that have been placed under the CAISO's operational control and are part of the CAISO Grid.

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

Uncontrollable Force see Force Majeure.

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 the Withdrawal Penalty is set forth in Section 1.10.1 of the GIP.

APPENDIX 1 to the GIP

GENERATING FACILITY INTERCONNECTION REQUEST FORM

APPENDIX 1 to the GIP

INTERCONNECTION REQUEST FOR A GENERATING FACILITY

Please provide two copies of this completed form

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with Distribution Provider's Distribution System (check one):
 Fast Track Process.
 Cluster Study process.
2. This Interconnection Request is for (check 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 (check one):
On-Peak: (For purposes of Net Qualifying Capacity)
 FULL CAPACITY Deliverability Status
 PARTIAL CAPACITY Deliverability Status for _____ MW of Deliverability Capacity
 ENERGY-ONLY Deliverability Status (this is the only choice available for Fast Track Interconnection Requests)
4. 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: _____

Project Location: _____

Street Address: _____

City, State: _____

County: _____

Zip Code:_____

GPS Coordinates:_____

b. Maximum net megawatt electrical output (as defined by Section 2.C of Attachment A to this Appendix 1) of the proposed new Generating Facility or the amount of net megawatt increase in the generating capacity of an existing Generating Facility (Note: All “MW” references in this Attachment shall be alternating current (AC) only unless otherwise noted):

- 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)
- Solar _____ (MW)

- Photovoltaic Crystalline
- Concentrated Solar PV
- Thin Film
- Solar-Thermal
- Other: _____
 - Installation Type: Ground Pole Rooftop Other
 - Tracking: N/A 1-Axis 2-Axis

- Combined Cycle _____ (MW)
- Other _____ (MW)

Please describe Other above:

General description of the equipment configuration (e.g. number, size, type, etc.)

d. Proposed In-Service Date, 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: _____
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. Interconnection Customer Generating Facility Data (set forth in Attachment A).

Interconnection Customer shall provide to Distribution Provider the technical data called for in GIP Attachment A to Appendix 1. Two (2) copies are required.

h. Requested capacity (in MW) of Interconnection Service (if different/lower than the Generating Facility Capacity)

i. 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. Applicable deposit amount as specified in the GIP made payable to San Diego Gas &

Electric Company. Please DO NOT include any checks/monies with this Interconnection Request! Upon receipt of your Interconnection Request, Distribution Provider will send a separate invoice for the applicable processing fee. Any checks/monies submitted with an Interconnection Request will be returned to the sender and may result in delaying the application process.

Please send the following separate from any required deposit amounts.

- a. Appendix 1 to GIP (Interconnection Request) for processing.
- b. Attachment A to Appendix 1 (Interconnection Request Generating Facility Data).

6. Please attach evidence of Site Control as specified in the GIP and name(s), address(es) and contact information of site owner(s).

7. This Interconnection Request shall be submitted to Distribution Provider's representative indicated below:

San Diego Gas and Electric Company
Attention: Customer Generation
8316 Century Park Court CP52F
San Diego, CA 92123-1582
Telephone Number: 858-636-5581
Fax:619-819-4448
E-Mail Address: WDATGIPAPPLICATIONS@semprautilities.com
[<mailto:WDATGIPAPPLICATIONS@semprautilities.com>](mailto:WDATGIPAPPLICATIONS@semprautilities.com)

8. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

Name: _____

Title: _____

Company Name: _____

Street Address: _____

City, State: _____

Zip Code: _____

Phone Number: _____

Email Address: _____

9. This Interconnection Request is submitted by:

Legal name of Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

ATTACHMENT A to GIP APPENDIX 1:

Interconnection Request for a Generating Facility

GENERATING FACILITY DATA

Please provide two copies of this completed form.

Each Interconnection Customer will complete Sections 1 and 2 of this Attachment A.

Each Interconnection Customer will complete the applicable data in Sections 3 through 6 of this Attachment A based on the type of generating facility(ies) requesting interconnection. (Section 3 for synchronous generators, Section 4 for induction generators, Section 5 for wind turbine generators, and Section 6 for inverter-based generators).

Each Interconnection Customer will complete Sections 7 through 10, as applicable.

At any time, Distribution Provider may require Interconnection Customer to provide additional technical data, or additional documentation supporting the technical data provided, as deemed necessary by Distribution Provider to perform Interconnection Studies, other studies, or evaluations as set forth under the GIP.

1. Provide two original prints (11"x17" size ONLY, no substitutes) and one reproducible copy of the following:

- A. Site drawing to scale, showing generator location and Point of Interconnection with 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 System Protection Facilities and circuit breakers. For wind and photovoltaic generator projects, 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 Distribution Provider's Distribution System. This one-line drawing must be signed and stamped by a licensed Professional Engineer if the Generating Facility is larger than 50 kW.

2. Generating Facility General Information:

- A. Total Generating Facility rated output (MW): _____
- B. Generating Facility auxiliary Load (MW): _____
- C. Project net capacity (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. Type (induction, synchronous, D.C. with inverter): _____

H. Phase (3 phase or single phase): _____

I. Primary frequency response operating range for electric storage resources:

Minimum State of Charge: _____

Maximum State of Charge: _____ **3. Synchronous Generator - Information:**

3A. Generator Information:

(Please repeat the following for each generator)

A. Manufacturer: _____

B. Year Manufactured: _____

C. Rated Generator speed (rpm): _____

D. Rated MVA: _____

E. Rated Terminal Voltage (kV): _____

F. Rated Generator Power Factor: _____

G. Generator Efficiency at Rated Load (%): _____

H. Moment of Inertia (including prime mover): _____

I. Inertia Time Constant (on machine base) H: _____ sec or MJ/MVA

J. 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): _____

K. Please attach generator reactive capability curves.

L. Rated Hydrogen Cooling Pressure in psig (Steam Units only):

M. 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.

3B. Excitation System Information:

(Please repeat the following for each generator)

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?

3C. Power System Stabilizer (PSS) Information (if applicable):

(Please repeat the following for each generator)

- 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?

3D. Turbine-Governor Information:

(Please repeat the following for each generator)

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: _____ %
- (4) 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: _____

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? _____

3E. Short Circuit Duty Information:

For each generator, provide the following reactances expressed in p.u. on the generator base:

- X_d - Direct Axis Synchronous Reactance: _____ p.u.
- X'_d - Direct Axis Transient Reactance: _____ p.u.

- $X''d$ - Direct Axis Subtransient Reactance: _____ p.u.
- R_2 - Negative Sequence Resistance: _____ p.u.
- X_2 - Negative Sequence Reactance: _____ p.u.
- R_1 - Positive Sequence Resistance: _____ p.u.
- X_1 - Positive Sequence Reactance: _____ p.u.
- R_0 - Zero Sequence Resistance: _____ p.u.
- X_0 - Zero Sequence Reactance: _____ p.u.

Generator Grounding (select one 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

4. Induction Generator Information:

(Please repeat the following for each generator)

A. Motoring Power (kW): _____

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

C. Rotor Resistance, (Rr): _____ ohms

D. Stator Resistance, (Rs): _____ ohms

E. Stator Reactance, (Xs): _____ ohms

F. Rotor Reactance, (Xr): _____ ohms

G. Magnetizing Reactance, (Xm): _____ ohms

H. Short Circuit Reactance, (Xd''): _____ ohms

I. Exciting Current: _____

J. Temperature Rise (deg C⁰): _____

K. Frame Size: _____

L. Design Letter: _____

M. Reactive Power Required (No Load): _____ Vars

N. Reactive Power Required (Full Load): _____ Vars

O. Total Rotating Inertia, H: _____ p.u. on kVA Base

5. Wind Turbine Generator (WTG) Information:

(Proposed projects may include one or more WTG types. Please repeat the following for each type of WTG).

A. WTG Manufacturer and Model: _____

B. Number of WTGs: _____

C. WTG Type (check one):

Type 1 (Squirrel-cage induction generator)

Type 2 (Wound rotor induction machine with variable rotor resistance)

Type 3 (Doubly-fed asynchronous generator)

Type 4 (Full converter interface)

D. Nameplate Rating (each WTG): _____ / _____ kW/kVA

E. Rated Terminal Voltage: _____ kV

F. For Type 1 or Type 2 WTGs:

(1) uncompensated power factor at full load: _____

(2) power factor correction capacitors at full load: _____ MVAR

(3) number of shunt stages and size: _____

(4) Please attach capability curve describing reactive power or power factor range from no output to full rated output, including the effect of shunt compensation.

G. For Type 3 or Type 4 WTGs:

(1) Maximum under-excited power factor at full load: _____

(2) Maximum over-excited power factor at full load: _____

(3) Control mode: _____ (voltage control, fixed power factor)

(4) Please attach capability curve describing reactive power or power factor range from no output to full rated output.

H. Short Circuit Characteristics: Applicant to provide technical data related to the short circuit characteristics of proposed WTGs for short circuit duty study modeling purposes. For example, the applicant can provide manufacturer short circuit test data showing faulted condition for three phase and single-line-to-ground fault.

Distribution Provider may require testing verification of voltage and harmonic performance during commissioning test of WTG based generation projects.

6. Inverter Based Generation Systems Information:

Distribution Provider may require inverter-based equipment to provide a range of grid support functions and associated communications interface, as deemed necessary by the Provider. Typical inverter functions that may be required include but not limited to the following:

- I. Interaction with Distribution Provider (Response to commands from Distribution Provider)
 - i. Real-time power production on demand (kW and kVars)
 - ii. For renewable Distributed Energy Resources (DER), limit power output or disconnect when directed
 - iii. Real-time voltage regulation per direction from utility
 - iv. Real-time P.F. (reactive power) operation per direction from utility
 - v. Operating status reporting from specific DER to utility when requested
 - vi. Real-time DER management by CAISO Automatic Generation Control (AGC) mechanisms when directed
- II. Autonomous Reactions (Use of pre-set modes and schedules to direct local operation)
 - i. Local voltage regulation within pre-set limits
 - a. Normal conditions voltage regulation
 - b. Sudden voltage change regulation
 - ii. Local load following or renewable DER smoothing using pre-set mode
 - iii. Low voltage ride through for certain conditions in excess of IEEE1547 limits
 - iv. Pre-set response to voltage anomalies related to fault ride-through conditions
 - v. Pre-set response to frequency disturbances

- vi. Disconnect from the utility grid for pre-defined conditions
- vii Operation in compliance with pre-defined schedules
- viii.Event / history logging

Proposed inverter based generation projects may include one or more types of inverters.

(Please repeat the following for each type of inverter)

- A. Inverter Manufacturer and Model: _____
- B. Number of Inverters: _____
- C. Nameplate Rating (AC, each inverter): _____ / _____ kW
- D. Nameplate Voltage Rating (AC): _____ kV and Voltage output range: _____ VAC to _____ VAC
- E. Maximum AC line current: _____ Amps
- F. Individual Generator Power Factor
Rated Power Factor: Leading: _____ Lagging: _____
- G. Please attach capability curve describing reactive power or power factor range from no output to full rated output
- H. Inverter control mode (e.g. voltage, power factor, reactive power): _____
- I. Short Circuit Characteristics: Applicant to provide equivalent impedance to use for short circuit modeling: _____ p.u.
- J. Harmonics Characteristics:
 - (1) Inverter switching frequency: _____
 - (2) Harmonic characteristics for each unit up to switching frequency: _____
 - (3) Harmonic characteristics for aggregate generation facility: _____
- K. Maximum Ramp-up Rate: _____ % generation capacity per minute

Distribution Provider may require testing verification of voltage and harmonic performance during commissioning test of the inverter based generation systems.

7. Step-Up Transformer Data:

For each step-up transformer (e.g. main step-up transformers, padmount transformers), fill out the data form provided in Table 1. Applicant shall attach a copy of fuse manufacturer's minimum melt and total clearing Time-Current curves.

Manufacturer: _____ Type: _____ Size: _____

8. Line Data:

For distribution lines that are to be planned by the generation developer, please provide the following information:

Nominal Voltage (High Side): _____ kV

Line Length (miles): _____

Conductor Type: _____ Size: _____

Positive Sequence Resistance (R_1): _____ p.u.** (for entire line length)

Positive Sequence Reactance: (X_1): _____ p.u.** (for entire line length)

Zero Sequence Resistance (R_0): _____ p.u.** (for entire line length)

Zero Sequence Reactance: (X_0): _____ p.u.** (for entire line length)

Line Charging (B/2): _____ p.u.**

** On 100-MVA and nominal line voltage (kV) Base

9. Model Data:

For Synchronous base generation:

Applicant shall provide block diagrams for the governor, exciter, and mechanical drive and associated parameters. For inverter base generation, Applicant shall provide voltage control block diagram with parameters (i.e. time constants, gain and dead band settings).

For Non-synchronous generation:

MODELS FOR NON-SYNCHRONOUS GENERATORS

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 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 Distribution 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

<u>GE PSLF</u>	<u>Siemens PSS/E*</u>	<u>PowerWorld Simulator</u>	<u>Description</u>
<u>pvd1</u>		<u>PVD1</u>	<u>Distributed PV system model</u>
<u>der_a</u>	<u>DERAU1</u>	<u>DER_A</u>	<u>Distributed energy resource model</u>
<u>regc_a</u>	<u>REGCAU1, REGCA1</u>	<u>REGC_A</u>	<u>Generator/converter model</u>
<u>regc_b</u>	<u>REGCBU1</u>	<u>REGC_B</u>	<u>Generator/converter model</u>
<u>wt1g</u>	<u>WT1G1</u>	<u>WT1G and WT1G1</u>	<u>Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)</u>
<u>wt2g</u>	<u>WT2G1</u>	<u>WT2G and WT2G1</u>	<u>Generator model for generic Type-2 wind turbines</u>
<u>wt2e</u>	<u>WT2E1</u>	<u>WT2E and WT2E1</u>	<u>Rotor resistance control model for woundrotor induction wind-turbine generator wt2g</u>
<u>reec_a</u>	<u>REECAU1, REECA1</u>	<u>REEC_A</u>	<u>Renewable energy electrical control model</u>

<u>GE PSLF</u>	<u>Siemens PSS/E*</u>	<u>PowerWorld Simulator</u>	<u>Description</u>
<u>reec_c</u>	<u>REECCU1</u>	<u>REEC_C</u>	<u>Electrical control model for battery energy storage system</u>
<u>reec_d</u>	<u>REECDU1</u>	<u>REEC_D</u>	<u>Renewable energy electrical control model</u>

<u>wt1t</u>	<u>WT12T1</u>	<u>WT1T and WT12T1</u>	<u>Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)</u>
<u>wt1p_b</u>	<u>wt1p_b</u>	<u>WT12A1U_B</u>	<u>Generic wind turbine pitch controller for WTGs of Types 1 and 2</u>
<u>wt2t</u>	<u>WT12T1</u>	<u>WT2T</u>	<u>Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance)</u>
<u>wtgt_a</u>	<u>WTDTAU1, WTDTA1</u>	<u>WTGT_A</u>	<u>Wind turbine drive train model</u>
<u>wtga_a</u>	<u>WTARAU1, WTARA1</u>	<u>WTGA_A</u>	<u>Simple aerodynamic model</u>
<u>wtgp_a</u>	<u>WTPTAU1, WTPTA1</u>	<u>WTGPT_A</u>	<u>Wind Turbine Generator Pitch controller</u>
<u>wtgq_a</u>	<u>WTTQAU1, WTTQA1</u>	<u>WTGTRQ_A</u>	<u>Wind Turbine Generator Torque controller</u>
<u>wtgwgo_a</u>	<u>WTGWGOAU</u>	<u>WTGWGO_A</u>	<u>Supplementary control model for Weak Grids</u>
<u>wtgibffr_a</u>	<u>WTGIBFFRA</u>	<u>WTGIBFFR_A</u>	<u>Inertial-base fast frequency response control</u>
<u>wtgp_b</u>	<u>WTPTBU1</u>	<u>WTGPT_B</u>	<u>Wind Turbine Generator Pitch controller</u>
<u>wtgt_b</u>	<u>WTDTBU1</u>	<u>WTGT_B</u>	<u>Drive train model</u>

<u>GE PSLF</u>	<u>Siemens PSS/E*</u>	<u>PowerWorld Simulator</u>	<u>Description</u>
<u>repca_a</u>	<u>Type 4:</u> <u>REPCAU1</u> (v33), <u>REPCA1</u> (v34) <u>Type 3:</u> <u>REPCTAU1</u> (v33), <u>REPCTA1</u> (v34)	<u>REPC_A</u>	<u>Power Plant Controller</u>
<u>repca_b</u>	<u>PLNTBU1</u>	<u>REPC_B</u>	<u>Power Plant Level Controller for controlling several plants/devices</u> <u>In regard to Siemens PSS/E*:</u> <u>Names of other models for interface with other devices:</u> <u>REA3XBU1, REAX4BU1- for interface with Type 3 and 4 renewable machines</u> <u>SWSAXBU1- for interface with SVC (modeled as switched shunt in powerflow)</u> <u>SYNAXBU1- for interface with synchronous condenser</u> <u>FCTAXBU1- for interface with FACTS device</u>
<u>repca_c</u>	<u>REPCCU</u>	<u>REPC_C</u>	<u>Power plant controller</u>

TABLE 24
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	_____	_____	_____
WINDING RESISTANCE	H	X	Y
Ohms	_____	_____	_____

CURRENT TRANSFORMER RATIOS

H _____ X _____ Y _____ N _____

PERCENT EXCITING CURRENT 100 % Voltage: _____ 110% Voltage _____

APPENDIX 2 to the GIP

CERTIFICATION CODES AND STANDARDS

APPENDIX 2 to the GIP

CERTIFICATION CODES AND STANDARDS

(as may be updated from time to time)

- 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

APPENDIX 3 to the GIP

CERTIFICATION OF GENERATOR EQUIPMENT PACKAGES

APPENDIX 3 to the GIP

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 Appendix 2 of the GIP as may be updated or revised from time to time, (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 NRTL.
- 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.

APPENDIX 4 to the GIP

[Intentionally Omitted]

APPENDIX 5 to the GIP

CLUSTER STUDY AGREEMENT

APPENDIX 5 to the GIP

CLUSTER STUDY AGREEMENT

THIS CLUSTER STUDY AGREEMENT (“AGREEMENT”) is made and entered into this day of, 20____ by and between _____, organized and existing under the laws of the State of _____, (“Interconnection Customer”) and _____ a corporation 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 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 Generating Facility with the Distribution System pursuant to the Cluster Study Process; and

WHEREAS, 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 Distribution Provider’s electric system to physically and electrically connect the Generating Facility to Distribution Provider’s Distribution System in accordance with Good Utility Practice; and

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 a Cluster Study consistent with Section 4 of the GIP.
- 3.0 The scope of the Cluster Study shall be subject to the assumptions set forth in Attachments A and B to this Agreement.

- 4.0 The Cluster Study 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 4.5.7.2 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 Cluster Study report for each Interconnection Study shall provide the information specified in the GIP.
- 6.0 Interconnection Customer shall provide a Commercial Readiness Deposit in accordance with Section 9 of the GIP.
- 7.0 Upon completion of the Cluster Study, Distribution Provider shall charge and Interconnection Customer shall pay its pro rata share of the actual costs of the Cluster Study. Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.
8. 0 Distribution Provider may provide copies of the Cluster Study results to the CAISO, 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.
- 9.0 Substantial portions of technical data and assumptions used to perform the Cluster Study, such as system conditions, existing and planned generation, and unit modeling, may change after Distribution Provider provides the Cluster Study results to Interconnection Customer. Cluster Study results will reflect available data at the time Distribution Provider provides the Cluster Study report to Interconnection Customer. Distribution Provider shall not be responsible for any additional costs, for Distribution Provider's Interconnection Facilities and Distribution Upgrades that may be incurred by Interconnection Customer as a result of changes in such data and assumptions.
- 10.0 Distribution Provider shall maintain records and accounts of all costs incurred in performing the Cluster Study in sufficient detail to allow verification of all costs incurred, including associated overheads. Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at Distribution Provider's offices and at its own expense, to audit Distribution Provider's records as necessary and as appropriate in order to verify costs incurred by Distribution

Provider. Any audit requested by Interconnection Customer shall be completed, and written notice of any audit dispute provided to Distribution Provider, within one hundred eighty (180) Calendar Days following receipt by Interconnection Customer of Distribution Provider's notification of the final costs of the Cluster Study.

- 11.0 In accordance with Section 1.10 of the GIP, Interconnection Customer may withdraw its Interconnection Request at any time by written notice to Distribution Provider. Upon receipt of such notice, this Agreement shall terminate, subject to the requirements of Sections 4.2.1 and 6.5 of the GIP.
- 12.0 This Agreement shall become effective upon the date the fully executed Agreement is received by Distribution Provider. If Distribution Provider does not receive the fully executed Agreement pursuant to Section 4.4 of the GIP, then the Interconnection Request will be deemed withdrawn by Distribution Provider pursuant to Section 1.10 of the GIP.
- 13.0 Miscellaneous.
 - 13.1 Dispute Resolution.

Either Party agrees to use the Dispute Resolution procedures set forth in Section 9 of the Tariff.
 - 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 6.5 of the GIP.
 - 13.3 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.
 - 13.4 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.
 - 13.5 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.”

- 13.6 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.
- 13.7 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.
- 13.8 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 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.

- 13.9 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.
- 13.10 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.
- 13.11 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by both of the Parties.
- 13.12 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.
- 13.13 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 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.
- 13.14 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.
- 13.15 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 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 Generating Facility, provided that 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 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.

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

By: _____

Printed Name: _____

Title: _____

Date: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Printed Name: _____

Title: _____

Date: _____

ATTACHMENT A

CLUSTER STUDY AGREEMENT

ASSUMPTIONS USED IN CONDUCTING THE

CLUSTER STUDY

The Cluster Study will be based upon the technical information provided by Interconnection Customer as set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____, subject to any modifications in accordance with Section 4.5.7.2 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Deliverability Status requested (Full Capacity, Partial Capacity, or Energy-Only) _____

ATTACHMENT B

CLUSTER STUDY AGREEMENT

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER PRIOR TO COMMENCEMENT OF THE INTERCONNECTION FACILITIES STUDY

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, transmission 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) Amps

Will an alternate source of auxiliary power be available during CT/PT maintenance?

Yes _____ No _____

6. 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)
7. What type of control system or PLC will be located at Interconnection Customer's Generating Facility?

8. What protocol does the control system or PLC use?

9. Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.
10. Physical dimensions of the proposed interconnection station:

11. Bus length from generation to interconnection station:

12. Line length from interconnection station to Distribution Provider's transmission line:

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

14. Number of third party easements required for transmission lines*:

* To be completed in coordination with Distribution Provider.

15. Is the Generating Facility in Distribution Provider's service area?

Yes _____ No _____ Local provider: _____

16. Please provide proposed schedule dates:

- Environmental Survey Start Date: _____
- Environmental Impact Report Submittal Date: _____
- Procurement of Project Equipment Date: _____
- Begin Construction Date: _____
- Generator Step-Up Transformer receives back feed power Date: _____
- Generation Testing Date: _____
- Commercial Operation Date: _____

17. Deliverability Status requested. Choose one of the following:

_____ Energy-Only Deliverability Status

_____ Partial Capacity Deliverability Status for _____ MW

_____ Full Capacity Deliverability Status

18. Confirmation of TP Deliverability Allocation Options: 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 that Interconnection Customer will continue to commercial

operation without an allocation of TP Deliverability.

Timeline for the Cluster Study:

Distribution Provider, in consultation with CAISO, as applicable, will complete the Cluster Study and issue a draft Cluster Study report to Interconnection Customer within one hundred fifty (150) Calendar Days after receipt of an executed copy of this Cluster Study Agreement or the end of the Customer Engagement Window, whichever is later.

APPENDIX 6 to the GIP

10 kW INVERTER PROCESS

APPENDIX 6 to the GIP

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 (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 Small 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 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 (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 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. Additional information to evaluate the Application may be required. Documentation of Site Exclusivity must be submitted with the Interconnection Request in accordance with Section 2.4 of the GIP.

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 Appendices 2 and 3 of the Small Generator Interconnection Procedures (GIP), or the Company 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: _____

By: _____

Title: _____

Date: _____

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.

Signed: _____

By: _____

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

Signed: _____

By: _____

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 (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 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 (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 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.
- 5.5 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.

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 above.

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 twelve (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.

APPENDIX 7 to the GIP

[Intentionally Omitted]

APPENDIX 8 to the GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

APPENDIX 8 to the GIP

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 San Diego Gas & Electric Company, a corporation organized and existing under the laws of the State of California, (“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 Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on _____; and

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with Distribution Provider’s Distribution System;

WHEREAS, Distribution Provider has completed a Cluster 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 Cluster Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility with Distribution Provider’s Distribution System, and

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 Distribution Provider’s FERC-approved GIP.
- 2.0 Interconnection Customer elects and Distribution Provider shall cause an Interconnection Facilities Study consistent with Section 4.7 of the GIP 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 of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to Distribution Provider's Distribution system and (ii) shall address the short circuit, instability, and power flow issues identified in the Cluster Study.

5.0 [not used]

6.0 Interconnection Customer will provide a Commercial Readiness Deposit per Section 9 of the GIP to enter into the Interconnection Facilities Study. The time required for completion of the Interconnection Facilities Study is specified in Attachment A.

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

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.

San Diego Gas & Electric Company

Signed _____

Name (Printed):

Title _____

Project Name _____

Project Queue _____

[Insert name of Interconnection Customer]

Signed _____

Name (Printed):

Title _____

ATTACHMENT A
TO INTERCONNECTION FACILITIES STUDY AGREEMENT

Timeline for the Interconnection Facilities Study

Distribution Provider, in consultation with CAISO, as applicable, will complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study Report to Interconnection Customer within one hundred twenty (120) Calendar Days after receipt of an executed copy of this Interconnection Facilities Study Agreement.

ATTACHMENT B
TO INTERCONNECTION FACILITIES STUDY AGREEMENT

**Data Form to Be Provided by Interconnection Customer
with the Interconnection Facilities Study Agreement**

1. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, distribution circuits, etc.
2. On the one-line diagram, indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
3. On the one-line diagram, indicate the location of auxiliary power. (Minimum load on CT/PT) Amps
4. 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

5. 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).
6. Physical dimensions of the proposed interconnection station:
7. Bus length from generation to interconnection station:
8. Line length from interconnection station to Distribution Provider's Distribution System.
9. Tower number observed in the field. (Painted on tower leg):**
10. Number of third party easements required for distribution lines:*

*To be completed in coordination with Distribution Provider.

11. Is the Generating Facility located in Distribution Provider's service area?

Yes No If No, please provide name of local provider:

12. 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: _____

Confirmation of Level of Deliverability: Choose one of the following:

Energy Only

Partial Capacity for _____ MW

Full Capacity

Confirmation of TP Deliverability Allocation Options: 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 that Interconnection Customer will continue to commercial operation without an allocation of TP Deliverability.

Modifications:

Please provide any proposed modifications pursuant to Section 4.5.7.2 of the GIP.

APPENDIX 9 TO THE GIP

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 transmission provider}, dated _____, for which {name of host transmission provider} found impacts on Distribution Provider’s Transmission System; and

WHEREAS, Affected System Interconnection Customer desires to interconnect the {generating facility} with {name of host transmission provider}’s transmission 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 the GIP.

2.0 Distribution Provider shall coordinate with Affected System Interconnection Customer to perform an Affected System Study consistent with Section 8 of the GIP.

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 transmission 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 Transmission System to accommodate the interconnection of the {generating facility} to the transmission system of the host transmission 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 GIP.

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 ID: _____

Attachment A to Appendix 9
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}

APPENDIX 10 TO THE GIP

MULITIPARTY 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 transmission provider}, dated _____, for which {name of host transmission provider} found impacts on Distribution Provider’s Transmission System; and

WHEREAS, Affected System Interconnection Customers desire to interconnect the {generating facilities} with {name of host transmission provider}’s transmission 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 the GIP.

2.0 Distribution Provider shall coordinate with Affected System Interconnection Customers to perform an Affected System Study consistent with Section 9 of the GIP.

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 transmission 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 Transmission System to accommodate the interconnection of the {generating facilities} to the transmission system of the host transmission 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 GIP.

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 ID: _____

Attachment A to Appendix 10
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}

APPENDIX 11 TO THE GIP

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 transmission provider}, dated _____, for which {name of host transmission provider} found impacts on Distribution Provider’s Transmission System; and

WHEREAS, Affected System Interconnection Customer desires to interconnect the {generating facility} to {name of host transmission provider}’s transmission system; and

WHEREAS, additions, modifications, and upgrade(s) must be made to certain existing facilities of Distribution Provider’s Transmission 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 the GIP.

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 transmission 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 Transmission 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 Transmission 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. Transmission Provider shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, 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 Transmission 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 Distribution Provider required under this Agreement pursuant to this Article 3.1.2.1, and has not requested 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 Distribution Provider, whichever is earlier, if no effective date of suspension is specified.

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 Transmission Provider for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, 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.

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.

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 Transmission 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 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 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 the GIP.

[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. _____

Attachment 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}

Attachment B to Appendix 11
Two-Party Affected System Facilities Construction Agreement

NOTIFICATION OF COMPLETED CONSTRUCTION

This Attachment 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}

Attachment C to Appendix 11
Two-Party Affected System Facilities Construction Agreement

EXHIBITS

This Attachment 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:	

—

APPENDIX 12 TO THE GIP

MULITIPARTY 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 transmission provider}, dated _____, for which {name of host transmission provider} found impacts on Distribution Provider’s Transmission System; and

WHEREAS, Affected System Interconnection Customers desire to interconnect the {generating facilities} to {name of host transmission provider}’s transmission system; and

WHEREAS, additions, modifications, and upgrade(s) must be made to certain existing facilities of Distribution Provider’s Transmission 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 the GIP.

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 transmission 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 Transmission 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 thereto) 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 Transmission 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 Distribution Provider required under this Agreement pursuant to this Article 3.1.2.1, and have not requested 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 Distribution Provider, whichever is earlier, if no effective date of suspension is specified.

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 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.

5.2.4 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. 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 5.3.2 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.

5.43 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 Transmission 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. _____

Attachment A to Appendix 12
Multiparty Affected System Facilities Construction Agreement

**AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND
RESPONSIBILITY, CONSTRUCTION SCHEDULE, AND MONTHLY PAYMENT
SCHEDULE**

This Attachment 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).

* 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}

Attachment B to Appendix 12
Multiparty Affected System Facilities Construction Agreement

NOTIFICATION OF COMPLETED CONSTRUCTION

This Attachment 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}

Attachment C to Appendix 12
Multiparty Affected System Facilities Construction Agreement

EXHIBITS

This Attachment 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 Transmission Provider	Estimate in Dollars
	Total:	