# OPEN ACCESS

# TRANSMISSION TARIFF

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# I. COMMON SERVICE PROVISIONS

## 1. Definitions

### 1.1 Affiliate:

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

### 1.2 Ancillary Services:

Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of Colorado Springs Utilities' Transmission System in accordance with Good Utility Practice.

### 1.3 Annual Transmission Costs:

The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by Colorado Springs Utilities or modified Colorado Springs Utilities' Regulatory Authority.

**1.4 Application:**

A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.

**1.5 Commission:**

The Federal Energy Regulatory Commission.

**1.6 Completed Application:**

An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.

**1.7 Control Area:**

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

1. match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
2. maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
3. maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and

4. provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

**1.8 Curtailment:**

A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.

**1.9 Delivering Party:**

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

**1.10 Designated Agent:**

Any entity that performs actions or functions on behalf of Colorado Springs Utilities, an Eligible Customer, or the Transmission Customer required under the Tariff.

**1.11 Direct Assignment Facilities:**

Facilities or portions of facilities that are constructed by Colorado Springs Utilities for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to approval of Colorado Springs Utilities' Regulatory Authority.

**1.12 Eligible Customer:**

i. Any electric utility (including Colorado Springs Utilities and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an eligible customer under the tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that Colorado Springs Utilities offer the unbundled transmission service, or pursuant to a voluntary offer of such service by Colorado Springs Utilities.

ii. Any retail customer taking unbundled Transmission Service pursuant to a state requirement that Colorado Springs Utilities offer the transmission service, or pursuant to a voluntary offer of such service by Colorado Springs Utilities, is an eligible customer under the tariff.

**1.13 Facilities Study:**

An engineering study conducted by Colorado Springs Utilities to determine the required modifications to Colorado Springs Utilities' Transmission System, including the cost and scheduled completion date for such

modifications, that will be required to provide the requested transmission service.

**1.14 Firm Point-To-Point Transmission Service:**

Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

**1.15 Good Utility Practice:**

Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the 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, including those practices required by Federal Power Act section 215(a)(4).

**1.16 Interruption:**

A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.

**1.17 Load Ratio Share:**

Ratio of a Transmission Customer's Network Load to Colorado Springs Utilities' total load computed in accordance with Sections 34.2 and 34.3 of the Network Integration Transmission Service under Part III of the Tariff and calculated on a rolling twelve month basis.

**1.18 Load Shedding:**

The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.

**1.19 Long-Term Firm Point-To-Point Transmission Service:**

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one year or more.

**1.20 Native Load Customers:**

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

**1.21 Network Customer:**

An entity receiving transmission service pursuant to the terms of Colorado Springs Utilities' Network Integration Transmission Service under Part III of the Tariff.

**1.22 Network Integration Transmission Service:**

The transmission service provided under Part III of the Tariff.

**1.23 Network Load:**

The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of Delivery. Where a Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

**1.24 Network Operating Agreement:**

An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.

**1.25 Network Operating Committee:**

A group made up of representatives from the Network Customer(s) and Colorado Springs Utilities established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.

**1.26 Network Resource:**

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

**1.27 Network Upgrades:**

Modifications or additions to transmission-related facilities that are integrated with and support Colorado Springs Utilities' overall Transmission System for the general benefit of all users of such Transmission System.

**1.28 Non-Firm Point-To-Point Transmission Service:**

Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 14.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on a stand-alone basis for periods ranging from one hour to one month.

**1.29 Non-Firm Sale:**

An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.

**1.30 Open Access Same-Time Information System (OASIS):**

The information system and standards of conduct contained in Part 37 of the Commission's regulations and all additional requirements implemented by subsequent Commission orders dealing with OASIS.

**1.31 Part I:**

Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

**1.32 Part II:**

Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

**1.33 Part III:**

Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

**1.34 Parties:**

Colorado Springs Utilities and the Transmission Customer receiving service under the Tariff.

**1.35 Point(s) of Delivery:**

Point(s) on Colorado Springs Utilities' Transmission System where capacity and energy transmitted by Colorado Springs Utilities will be made available to the Receiving Party under Part II of the Tariff. The Point(s) of Delivery

shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

**1.36 Point(s) of Receipt:**

Point(s) of interconnection on Colorado Springs Utilities' Transmission System where capacity and energy will be made available to Colorado Springs Utilities by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

**1.37 Point-To-Point Transmission Service:**

The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

**1.38 Power Purchaser:**

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

**1.39 Pre-Confirmed Application:**

An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that Colorado Springs Utilities can provide the requested Transmission Service.

**1.40 Receiving Party:**

The entity receiving the capacity and energy transmitted by Colorado Springs Utilities to Point(s) of Delivery.

**1.41 Regional Transmission Group (RTG):**

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

**1.42 Regulatory Authority:**

Colorado Springs City Council as provided for through Articles V, Section 35; XX, Section 1; and XXV of the Colorado Constitution; Section 40-3.5-101, *et seq*. of the Colorado Revised Statutes; and the charter and ordinances of the City of Colorado Springs.

**1.43 Reserved Capacity:**

The maximum amount of capacity and energy that Colorado Springs Utilities agrees to transmit for the Transmission Customer over Colorado Springs Utilities' Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

**1.44 Service Agreement:**

The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and Colorado Springs Utilities for service under the Tariff.

**1.45 Service Commencement Date:**

The date Colorado Springs Utilities begins to provide service pursuant to the terms of an executed Service Agreement, or the date Colorado Springs Utilities begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

**1.46 Short-Term Firm Point-To-Point Transmission Service:**

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

**1.47 System Condition:**

A specified condition on Colorado Springs Utilities' system or on a neighboring system, such as a constrained transmission element or flowgate that may trigger Curtailment of Long-Term Firm Point-to-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.

**1.48 System Impact Study:**

An assessment by Colorado Springs Utilities of: (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.

**1.49 Third-Party Sale:**

Any sale for resale in interstate commerce to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service.

**1.50 Transmission Customer:**

Any Eligible Customer (or its Designated Agent) that (i): executes a Service Agreement, or (ii) submits to the dispute resolution procedures of Section 12 any of the terms and conditions of the Service Agreement on which the Eligible Customer and Colorado Springs Utilities cannot agree. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

**1.51 Transmission Provider:**

Colorado Springs Utilities.

**1.52 Transmission Provider's Monthly Transmission System Peak:**

The maximum firm usage of Colorado Springs Utilities' Transmission System in a calendar month.

**1.53 Transmission Service:**

Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.

**1.54 Transmission System:**

The facilities owned, controlled or operated by Colorado Springs Utilities that are used to provide transmission service under Part II and Part III of the Tariff.

**1.55 Western Energy Imbalance Service (WEIS):**

The Schedule 1 Service defined in the WEIS Tariff for the WEIS Region.

**1.56 WEIS Market:**

An energy imbalance service market in the Western Interconnection administered by the WEIS Market Operator under the WEIS Tariff.

**1.57 WEIS Market Footprint:**

The loads and resources that are located within a Control Area participating in the WEIS Market under the WEIS Tariff.

**1.58 WEIS Market Operator:**

The entity that operates the WEIS Market in accordance with the WEIS Tariff and acts as the interface point of reliability functions with commercial functions. Currently, the WEIS Market Operator is Southwest Power Pool, Inc.

**1.59 WEIS Joint Dispatch Transmission Service:**

Intra-hour non-firm transmission service, as available, across transmission facilities of a Market Participant, as defined in the WEIS Tariff, that is used to transmit energy dispatched pursuant to the provisions of the WEIS Tariff.

**1.60 WEIS Joint Dispatch Transmission Service Customer:**

Any Market Participant, as defined in the WEIS Tariff, representing load in a Control Area participating in the WEIS Market.

**1.61 WEIS Joint Dispatch Transmission Service Provider:**

Any Market Participant, as defined in the WEIS Tariff, that provides Joint Dispatch Transmission Service and that is in a Control Area participating in the WEIS Market or Southwest Power Pool, Inc.

**1.62 WEIS Region:**

The geographic region of the WEIS Market operated by the WEIS Market Operator under the WEIS Tariff.

**1.63 WEIS Tariff:**

The Western Energy Imbalance Service Tariff, as approved by FERC, including all schedules or attachments thereto, as amended from time to time and approved by FERC.

**1.64 WEIS Transmission Provider's Facilities:**

Those facilities included in Colorado Springs Utilities' Transmission System that are located within the WEIS Region and over which Colorado Springs Utilities has agreed to allow the WEIS Market Operator to transmit energy dispatched pursuant to the provisions of the WEIS Tariff.

## 2. Initial Allocation and Renewal Procedures

**2.1 Initial Allocation of Available Transfer Capability:**

For purposes of determining whether existing capability on Colorado Springs Utilities' Transmission System is adequate to accommodate a request for firm service under this Tariff, all Completed Applications for new firm transmission service received during the initial sixty (60) day period commencing with the effective date of the Tariff will be deemed to have been filed simultaneously. A lottery system conducted by an independent party shall be used to assign priorities for Completed Applications filed simultaneously. All Completed Applications for firm transmission service

received after the initial sixty (60) day period shall be assigned a priority pursuant to Section 13.2.

**2.2 Reservation Priority For Existing Firm Service Customers:**

Existing firm service customers (wholesale requirements and transmission-only, with a contract term of five years or more), have the right to continue to take transmission service from Colorado Springs Utilities when the contract expires, rolls over or is renewed. This transmission reservation priority is independent of whether the existing customer continues to purchase capacity and energy from Colorado Springs Utilities or elects to purchase capacity and energy from another supplier. If at the end of the contract term, Colorado Springs Utilities' Transmission System cannot accommodate all of the requests for transmission service, the existing firm service customer must agree to accept a contract term at least equal to a competing request by any new Eligible Customer and to pay the current just and reasonable rate, as approved by Colorado Springs Utilities' Regulatory Authority, for such service; providing that, the firm service customer shall have a right of first refusal at the end of such service only if the new contract is for five years or more. The existing firm service customer must provide notice to Colorado Springs Utilities whether it will exercise its right of first refusal no less than one year prior to the expiration date of its transmission service agreement.

This transmission reservation priority for existing firm service customers is an ongoing right that may be exercised at the end of all firm contract terms of five years or longer. Service agreements subject to a right of first refusal entered into prior to the effective date of this Tariff, unless terminated, will become subject to the five year/one year requirement on the first rollover date after the effective date of this Tariff.

**3. Ancillary Services**

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. Colorado Springs Utilities is required to provide (or offer to arrange with the local Control Area operator as discussed below), and the Transmission Customer is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources.

Colorado Springs Utilities is required to offer to provide (or offer to arrange with the local Control Area operator as discussed below) the following Ancillary Services only to the Transmission Customer serving load within Colorado Springs Utilities' Control Area: (i) Regulation and Frequency Response, (ii) Energy Imbalance, (iii) Operating Reserve - Spinning, and (iv) Operating Reserve - Supplemental. The Transmission Customer serving load within Colorado Springs Utilities' Control Area is required to acquire these Ancillary Services,

whether from Colorado Springs Utilities, from a third party, or by self-supply. Solely with respect to service provided over the WEIS Transmission Provider's Facilities, the Transmission Customer's Energy Imbalance for load served using the WEIS Transmission Provider's Facilities shall be settled pursuant to the WEIS Tariff and as further specified in Attachment M. Colorado Springs Utilities will provide, when and to the extent it is physically feasible to do so from its resources, Generator Imbalance Service when Transmission Service is used to deliver energy from a generator located within its control area. The Transmission Customer using Transmission Service to deliver energy from a generator located within the Colorado Springs Utilities' Control Area is required to acquire Generator Imbalance Service, whether from Colorado Springs Utilities, from a third party, or by self-supply. Solely with respect to service provided over the WEIS Transmission Provider's Facilities, the Transmission Customer's Generator Imbalance Service used to deliver energy from a generator using the WEIS Transmission Provider's Facilities shall be settled pursuant to the WEIS Tariff and as further specified in Attachment M. The Transmission Customer may not decline Colorado Springs Utilities' offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from Colorado Springs Utilities.

A Transmission Customer that exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or an Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved is required to pay for all of the Ancillary Services identified in this section that were provided by Colorado Springs Utilities associated with the unreserved service. The Transmission Customer or Eligible Customer will pay for Ancillary Services based on the amount of transmission service it used but did not reserve.

**[Remainder of Page Left Intentionally Blank]**

If Colorado Springs Utilities is a public utility providing transmission service but is not a Control Area operator, it may be unable to provide some or all of the Ancillary Services. In this case, Colorado Springs Utilities can fulfill its obligation to provide Ancillary Services by acting as the Transmission Customer's agent to secure these Ancillary Services from the Control Area operator or through the WEIS Market. The Transmission Customer may elect to; (i) have Colorado Springs Utilities act as its agent, (ii) secure the Ancillary Services directly from the Control Area operator or through the WEIS Market, or (iii) secure the Ancillary Services (discussed in Schedules 3, 4, 5, 6 and 9) from a third party or by self-supply when technically feasible.

Colorado Springs Utilities shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules and Attachments that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by Colorado Springs Utilities in conjunction with its provision of transmission service as follows: (1) any offer of a discount made by Colorado Springs Utilities must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the

OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on Colorado Springs Utilities' system. Sections 3.1 through 3.7 below list the seven Ancillary Services.

**3.1 Scheduling, System Control and Dispatch Service:**

The rates and/or methodology are described in Schedule 1.

**3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service:**

The rates and/or methodology are described in Schedule 2.

**3.3 Regulation and Frequency Response Service:**

Where applicable the rates and/or methodology are described in Schedule 3.

**3.4 Energy Imbalance Service:**

Where applicable the rates and/or methodology are described in Schedule 4 and Attachment M.

**3.5 Operating Reserve - Spinning Reserve Service:**

Where applicable the rates and/or methodology are described in Schedule 5.

**3.6 Operating Reserve - Supplemental Reserve Service:**

Where applicable the rates and/or methodology are described in Schedule 6.

**3.7 Generator Imbalance Service:**

Where applicable the rates and/or methodology are described in Schedule 9 and Attachment M.

**4. Open Access Same-Time Information System (OASIS)**

Terms and conditions regarding Open Access Same-Time Information System and standards of conduct are set forth in 18 C.F.R. § 37 of the Commission's regulations (Open Access Same-Time Information System and Standards of Conduct for Public Utilities) and 18 C.F.R. § 38 of the Commission's regulations (Business Practice Standards and Communication Protocols for Public Utilities). In the event available transfer capability as posted on the OASIS is insufficient to accommodate a request for firm transmission service, additional studies may be required as provided by this Tariff pursuant to Sections 19 and 32.

Colorado Springs Utilities shall post on OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. Colorado Springs Utilities shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained. Colorado Springs Utilities shall also post on OASIS and its public website a statement of the process by which Colorado Springs Utilities shall add, delete or otherwise modify the rules, standards and practices that are not included in this tariff. Such process shall set forth the means by which Colorado Springs Utilities

shall provide reasonable advance notice to Transmission Customers and Eligible Customers of any such additions, deletions or modifications, the associated effective date, and any additional implementation procedures that Colorado Springs Utilities deems appropriate.

**5. Tax Exempt Bonds**

Facilities Financed by Tax Exempt Bonds: Notwithstanding any other provision of this Tariff, Colorado Springs Utilities shall not be required to provide Transmission Service to any Eligible Customer pursuant to this Tariff if the provision of such Transmission Service would jeopardize the tax-exempt status of any bond(s) used to finance Colorado Springs Utilities' facilities that would be used in providing such Transmission Service.

If Colorado Springs Utilities determines that the provision of transmission service requested by an Eligible Customer would jeopardize the tax-exempt status of any bond(s) used to finance its facilities that would be used in providing such transmission service, it shall advise the Eligible Customer and shall not be obligated to provide service.

**6. Reciprocity**

A Transmission Customer receiving transmission service under this Tariff agrees to provide comparable transmission service that it is capable of providing to Colorado Springs Utilities on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the

Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates. A Transmission Customer that is a member of, or takes transmission service from, a power pool, Regional Transmission Group, Regional Transmission Organization (RTO), Independent System Operator (ISO) or other transmission organization approved by the Commission for the operation of transmission facilities also agrees to provide comparable transmission service to the members of such power pool and Regional Transmission Group, RTO, ISO or other transmission organization on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates.

This reciprocity requirement applies not only to the Transmission Customer that obtains transmission service under the Tariff, but also to all parties to a transaction that involves the use of transmission service under the Tariff, including the power seller, buyer, and any intermediary, such as a power marketer. This reciprocity requirement also applies to any Eligible Customer that owns, controls or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under the Tariff. If the

Transmission Customer does not own, control or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its Application is not to assist an Eligible Customer to avoid the requirements of this provision.

## 7. Billing and Payment

### 7.1 Billing Procedure:

Within a reasonable time after the first day of each month, Colorado Springs Utilities shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission Customer within twenty (20) days of receipt. All payments shall be made in immediately available funds payable to Colorado Springs Utilities, or by wire transfer to a bank named by Colorado Springs Utilities.

### 7.2 Interest on Unpaid Balances:

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

considered as having been paid on the date of receipt by Colorado Springs Utilities.

**7.3 Customer Default:**

In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to Colorado Springs Utilities on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after Colorado Springs Utilities notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, Colorado Springs Utilities may initiate procedures under Section 12 of this Tariff to terminate service but shall not terminate service until it obtains approval for any such request pursuant to Section 12. In the event of a billing dispute between Colorado Springs Utilities and the Transmission Customer, Colorado Springs Utilities will continue to provide service under the Service Agreement as long as the Transmission Customer: (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then Colorado Springs Utilities

may provide notice to the Transmission Customer of its intention to suspend service in sixty (60) days, in accordance with this section.

**8. Accounting for Colorado Springs Utilities' Use of the Tariff**

Colorado Springs Utilities shall record the following amounts, as outlined below.

**8.1 Transmission Revenues:**

Include in a separate operating revenue account or subaccount the revenues it receives from Transmission Service when making Third-Party Sales under Part II of the Tariff.

**8.2 Study Costs and Revenues:**

Include in a separate transmission operating expense account or subaccount, costs properly chargeable to expense that are incurred to perform any System Impact Studies or Facilities Studies which Colorado Springs Utilities conducts to determine if it must construct new transmission facilities or upgrades necessary for its own uses, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Transmission Customer's billing under the Tariff.

**9. Reserved**

**10. Force Majeure and Indemnification**

**10.1 Force Majeure:**

An event of Force Majeure means 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 Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing on the part of either Colorado Springs Utilities or the Transmission Customer. Neither Colorado Springs Utilities nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Tariff is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Tariff.

**10.2 Indemnification:**

The Transmission Customer shall at all times indemnify, defend, and save Colorado Springs Utilities 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, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from Colorado Springs Utilities'

performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by Colorado Springs Utilities.

## 11. Creditworthiness

Colorado Springs Utilities will specify its Creditworthiness procedures in Attachment L.

## 12. Dispute Resolution Procedures

### 12.1 Internal Dispute Resolution Procedures:

Any dispute between a Transmission Customer and Colorado Springs Utilities involving transmission service under this Tariff (excluding applications for rate changes or other changes to the Tariff, or to any Service Agreement entered into under the Tariff, which shall be presented directly to Colorado Springs Utilities' Regulatory Authority for resolution) shall be referred to a designated senior representative of Colorado Springs Utilities and a senior representative of the Transmission Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days [or such other period as the Parties may agree upon] by mutual agreement, such dispute may be resolved in accordance with the formal dispute resolution procedures set forth below.

### 12.2 Formal Dispute Resolution Procedures:

If the Parties mutually agree that non-binding arbitration conducted under the auspices of Colorado Springs Utilities' Regulatory Authority should occur, then any non-binding arbitration initiated under this Tariff shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) days of the referral of the dispute to non-binding arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the non-binding arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the non-binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and any applicable Regional Transmission Group rules.

### 12.3 Non-Binding Arbitration Decisions:

Unless otherwise agreed, the arbitrator(s) shall render a non-binding decision within ninety (90) days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any Service Agreement entered into under the Tariff and shall have no power to modify or change any of the above in any manner. The decision of the arbitrator(s) shall be presented to Colorado Springs Utilities' Regulatory Authority for issuance of a resolution that is binding upon the Parties.

**12.4 Costs:**

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

1. the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or
2. one half the cost of the single arbitrator jointly chosen by the Parties.

**12.5 Rights Under The Law:**

If the attempted informal dispute resolution fails or the formal dispute resolution process is not undertaken, either Party may exercise whatever rights and remedies it may have in equity or law.

## II. POINT-TO-POINT TRANSMISSION SERVICE

### Preamble

Colorado Springs Utilities will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff. Point-To-Point Transmission Service is for the receipt of capacity and energy at designated Point(s) of Receipt and the transfer of such capacity and energy to designated Point(s) of Delivery.

### 13. Nature of Firm Point-To-Point Transmission Service

#### 13.1 Term:

The minimum term of Firm Point-To-Point Transmission Service shall be one day and the maximum term shall be specified in the Service Agreement.

#### 13.2 Reservation Priority:

(i) Long-Term Firm Point-To-Point Transmission Service shall be available on a first-come, first-served basis, i.e., in the chronological sequence in which each Transmission Customer has reserved service.

(ii) Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction or reservation. However, Pre-Confirmed Applications for Short-Term Point-to-Point Transmission Service will receive priority over earlier-submitted requests that are not

Pre-Confirmed and that have equal or shorter duration. Among requests or reservations with the same duration and, as relevant, pre-confirmation status (pre-Confirmed or not confirmed), priority will be given to an Eligible Customer's request or reservation that offers the highest price, followed by the date and time of the request or reservation.

(iii) If the Transmission System becomes oversubscribed, requests for service may preempt competing reservations up to the following conditional reservation deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service. Before the conditional reservation deadline, if available transfer capability is insufficient to satisfy all requests and applications, an Eligible Customer with a reservation for shorter term service or equal duration service and lower price has the right of first refusal to match any longer term request or equal duration service with a higher price before losing its reservation priority. A longer term competing request for Short-Term Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does

not agree to match the competing request within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in section 13.8) from being notified by Colorado Springs Utilities of a longer-term competing request for Short-Term Firm Point-To-Point Transmission Service. When a longer duration request preempts multiple shorter duration reservations, the shorter duration reservations shall have simultaneous opportunities to exercise the right of first refusal. Duration, price and time of response will be used to determine the order by which the multiple shorter duration reservations will be able to exercise the right of first refusal. After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff.

(iv) Firm Point-To-Point Transmission Service will always have a reservation priority over Non-Firm Point-To-Point Transmission Service under the Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

**13.3 Use of Firm Transmission Service by Colorado Springs Utilities:**

Colorado Springs Utilities will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under (i) agreements executed on or after Colorado Springs Utilities' Regulatory Authority's approval of these rates. Colorado Springs Utilities will maintain separate accounting, pursuant to Section 8, for any use of the Point-To-Point Transmission Service to make Third-Party Sales.

**13.4 Service Agreements:**

Colorado Springs Utilities shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it submits a Completed Application for Long-Term Firm Point-To-Point Transmission Service. Colorado Springs Utilities shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Short-Term Firm Point-To-Point Transmission Service pursuant to the Tariff. An Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved and that has not executed a Service Agreement will be deemed, for purposes of assessing any appropriate charges and penalties, to have executed the appropriate Service Agreement. The Service Agreement shall, when applicable, specify any conditional

curtailment options selected by the Transmission Customer. Where the Service Agreement contains conditional curtailment options and is subject to a biennial reassessment as described in Section 15.4, Colorado Springs Utilities shall provide the Transmission Customer notice of any changes to the curtailment conditions no less than 90 days prior to the date for imposition of new curtailment conditions. Concurrent with such notice, Colorado Springs Utilities shall provide the Transmission Customer with the reassessment study and a narrative description of the study, including the reasons for changes to the number of hours per year or System Conditions under which conditional curtailment may occur.

### 13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs:

In cases where Colorado Springs Utilities determines that the Transmission System is not capable of providing Firm Point-To-Point Transmission Service without (1) degrading or impairing the reliability of service to Native Load Customers, Network Customers and other Transmission Customers taking Firm Point-To-Point Transmission Service, or (2) interfering with Colorado Springs Utilities' ability to meet prior firm contractual commitments to others, Colorado Springs Utilities will be obligated to expand or upgrade its Transmission System pursuant to the terms of Section 15.4. The Transmission Customer must agree to compensate Colorado Springs

Utilities for any necessary transmission facility additions pursuant to the terms of Section 27. To the extent Colorado Springs Utilities can relieve any system constraint by redispatching Colorado Springs Utilities' resources, it shall do so, provided that the Eligible Customer agrees to compensate Colorado Springs Utilities pursuant to the terms of Section 27 and agrees to either (i) compensate Colorado Springs Utilities for any necessary transmission facility additions or (ii) accept the service subject to a biennial reassessment by Colorado Springs Utilities of redispatch requirements as described in Section 15.4. Any redispatch, Network Upgrade or Direct Assignment Facilities costs to be charged to the Transmission Customer on an incremental basis under the Tariff will be specified in the Service Agreement prior to initiating service.

**13.6 Curtailment of Firm Transmission Service:**

In the event that a Curtailment on Colorado Springs Utilities' Transmission System, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, Colorado Springs Utilities will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission

Service on a basis comparable to the curtailment of service to Colorado Springs Utilities' Native Load Customers. All Curtailments will be made on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. Long-Term Firm Point-to-Point Service subject to conditions described in Section 15.4 shall be curtailed with secondary service in cases where the conditions apply, but otherwise will be curtailed on a pro rata basis with other Firm Transmission Service. When Colorado Springs Utilities determines that an electrical emergency exists on its Transmission System and implements emergency procedures to Curtail Firm Transmission Service, the Transmission Customer shall make the required reductions upon request of Colorado Springs Utilities. However, Colorado Springs Utilities reserves the right to Curtail, in whole or in part, any Firm Transmission Service provided under the Tariff when, in Colorado Springs Utilities' sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System. Colorado Springs Utilities will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments.

**13.7 Classification of Firm Transmission Service:**

(a) The Transmission Customer taking Firm Point-To-Point Transmission Service may (1) change its Receipt and Delivery

(b) Points to obtain service on a non-firm basis consistent with the terms of Section 22.1 or (2) request a modification of the Points of Receipt or Delivery on a firm basis pursuant to the terms of Section 22.2.

(c) The Transmission Customer may purchase transmission service to make sales of capacity and energy from multiple generating units that are on Colorado Springs Utilities' Transmission System. For such a purchase of transmission service, the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant in which case the units would be treated as a single Point of Receipt.

(d) Colorado Springs Utilities shall provide firm deliveries of capacity and energy from the Point(s) of Receipt to the Point(s) of Delivery. Each Point of Receipt at which firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Receipt. Points of Receipt and corresponding capacity reservations shall

be as mutually agreed upon by the parties for Short-term Firm Transmission. Each Point of Delivery at which firm transfer capability is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Delivery. Points of Delivery and corresponding capacity reservations shall be as mutually agreed upon by the parties for Short-term Firm Transmission. The greater of either (1) the sum of the capacity reservations at the Point(s) of Receipt, or (2) the sum of the capacity reservations at the Point(s) of Delivery shall be the Transmission Customer's Reserved Capacity. The Transmission Customer will be billed for its Reserved Capacity under the terms of Schedule 7. The Transmission Customer may not exceed its firm capacity reserved at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 22. Colorado Springs Utilities shall specify the rate treatment and all related terms and conditions applicable in the event that a Transmission Customer (including Third-Party Sales by Colorado Springs Utilities) exceeds its firm reserved capacity at any Point of

Receipt or Point of Delivery or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved.

**13.8 Scheduling of Firm Point-To-Point Transmission Service:**

Schedules for the Transmission Customer's Firm Point-To-Point Transmission Service must be submitted to Colorado Springs Utilities no later than 10:00 a.m., local time of the day prior to commencement of such service. Schedules submitted after 10:00 a.m. will be accommodated, if practicable. Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of 1,000 kW per hour. Transmission Customers within Colorado Springs Utilities' service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common point of receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to thirty (30) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. Colorado Springs Utilities will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or

Receiving Party revise or terminate any schedule, such party shall immediately notify Colorado Springs Utilities, and Colorado Springs Utilities shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

## 14. Nature of Non-Firm Point-To-Point Transmission Service

### 14.1 Term:

Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

### 14.2 Reservation Priority:

Non-Firm Point-To-Point Transmission Service shall be available from transfer capability in excess of that needed for reliable service to Native Load Customers, Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be assigned first to requests or reservations with a longer duration of service and second to Pre-Confirmed Applications. In the event

the Transmission System is constrained, competing requests of the same Pre-Confirmation status and equal duration will be prioritized based on the highest price offered by the Eligible Customer for the Transmission Service. Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term request before being preempted. A longer term competing request for Non-Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request: (a) immediately for hourly Non-Firm Point-To-Point Transmission Service after notification by Colorado Springs Utilities; and, (b) within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in Section 14.6) for Non-Firm Point-To-Point Transmission Service other than hourly transactions after notification by Colorado Springs Utilities. Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have the lowest reservation priority under the Tariff.

### 14.3 Use of Non-Firm Point-To-Point Transmission Service by Colorado Springs Utilities:

Colorado Springs Utilities will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under (i) agreements executed on or after Colorado Springs Utilities Regulatory Authority's approval date. Colorado Springs Utilities will maintain separate accounting, pursuant to Section 8, for any use of Non-Firm Point-To-Point Transmission Service to make Third-Party Sales.

**14.4 Service Agreements:**

Colorado Springs Utilities shall offer a standard form Non-Firm Point-To-Point Transmission Service Agreement (Attachment B) to an Eligible Customer when it first submits a Completed Application for Non-Firm Point-To-Point Transmission Service pursuant to the Tariff.

**14.5 Classification of Non-Firm Point-To-Point Transmission Service:**

Non-Firm Point-To-Point Transmission Service shall be offered under terms and conditions contained in Part II of the Tariff. Colorado Springs Utilities undertakes no obligation under the Tariff to plan its Transmission System in order to have sufficient capacity for Non-Firm Point-To-Point Transmission Service. Parties requesting Non-Firm Point-To-Point Transmission Service for the transmission of firm power do so with the full realization that such service is subject to availability and to Curtailment or Interruption under the terms of the Tariff. Colorado Springs Utilities shall specify the rate treatment

and all related terms and conditions applicable in the event that a Transmission Customer (including Third-Party Sales by Colorado Springs Utilities) exceeds its non-firm capacity reservation. Non-Firm Point-To-Point Transmission Service shall include transmission of energy on an hourly basis and transmission of scheduled short-term capacity and energy on a daily, weekly or monthly basis, but not to exceed one month's reservation for any one Application, under Schedule 8.

**14.6 Scheduling of Non-Firm Point-To-Point Transmission Service:** Schedules for Non-Firm Point-To-Point Transmission Service must be submitted to Colorado Springs Utilities no later than 2:00 p.m. of the day prior to commencement of such service. Schedules submitted after 2:00 p.m. will be accommodated, if practicable. Hour-to-hour schedules of energy that is to be delivered must be stated in increments of 1,000 kW per hour. Transmission Customers within Colorado Springs Utilities' service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their schedules at a common Point of Receipt into units of 1,000 kW per hour. Scheduling changes will be permitted up to thirty (30) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. Colorado Springs Utilities will furnish to the

Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify Colorado Springs Utilities, and Colorado Springs Utilities shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

**14.7 Curtailment or Interruption of Service:**

Colorado Springs Utilities reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when~~,~~ an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System. Colorado Springs Utilities reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate: (1) a request for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, (4) transmission service for Network Customers from non-designated resources,

or (5) transmission service for Firm Point-to-Point Transmission Service during conditional curtailment periods as described in Section 15.4. Colorado Springs Utilities also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g., hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Colorado Springs Utilities will provide

advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

## 15. Service Availability

### 15.1 General Conditions:

Colorado Springs Utilities will provide Firm and Non-Firm Point-To-Point Transmission Service over, on or across its Transmission System to any Transmission Customer that has met the requirements of Section 16.

### 15.2 Determination of Available Transfer Capability:

A description of Colorado Springs Utilities' specific methodology for assessing available transfer capability posted on Colorado Springs Utilities' OASIS (Section 4) is contained in Attachment C of the Tariff. In the event sufficient transfer capability may not exist to accommodate a service request, Colorado Springs Utilities will respond by performing a System Impact Study.

### 15.3 Initiating Service in the Absence of an Executed Service Agreement:

If Colorado Springs Utilities and the Transmission Customer requesting Firm or Non-Firm Point-To-Point Transmission Service cannot agree on all the terms and conditions of the Point-To-Point Service Agreement, upon written request from the Transmission Customer, Colorado Springs Utilities and the Transmission Customer shall submit the disputed terms and conditions to the dispute resolution procedures of Section 12. Colorado Springs Utilities shall

commence providing Transmission Service under an unexecuted Point-To-Point Service Agreement containing terms and conditions deemed appropriate by Colorado Springs Utilities for the requested Transmission Service subject to the Transmission Customer agreeing to: (i) compensate Colorado Springs Utilities under rates ultimately determined to be comparable and (ii) comply with the terms and conditions of the Tariff including posting appropriate security deposits in accordance with the terms of Section 17.3.

**15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment:**

(a) If the Transmission Provider determines that it cannot accommodate a Completed Application for Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, the Transmission Provider will use due diligence to expand or modify its Transmission System to provide the requested Firm Transmission Service, consistent with its planning obligations in Attachment K, provided the Transmission Customer agrees to compensate the Transmission Provider for such costs pursuant to the terms of Section 27. The Transmission Provider will conform to Good Utility Practice and

its planning obligations in Attachment K, in determining the need for new facilities and in the design and construction of such facilities. The obligation applies only to those facilities that the Transmission Provider has the right to expand or modify.

(b) If Colorado Springs Utilities determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Colorado Springs Utilities will use due diligence to provide redispatch from its own resources until (i) Network Upgrades are completed for the Transmission Customer, (ii) Colorado Springs Utilities determines through a biennial reassessment that it can no longer reliably provide the redispatch, or (iii) the Transmission Customer terminates the service because of redispatch changes resulting from the reassessment. Colorado Springs Utilities shall not unreasonably deny self-provided redispatch or redispatch arranged by the Transmission Customer from a third party resource.

(c) If Colorado Springs Utilities determines that it cannot accommodate a Completed Application for Long-Term Firm

Point-To-Point Transmission Service because of insufficient capability on its Transmission System, Colorado Springs Utilities will offer the Firm Transmission Service with the condition that Colorado Springs Utilities may curtail the service prior to the curtailment of other Firm Transmission Service for a specified number of hours per year or during System Condition(s). If the Transmission Customer accepts the service, Colorado Springs Utilities will use due diligence to provide the service until (i) Network Upgrades are completed for the Transmission Customer, (ii) Colorado Springs Utilities determines through a biennial reassessment that it can no longer reliably provide such service, or (iii) the Transmission Customer terminates the service because the reassessment increased the number of hours per year of conditional curtailment or changed the System Conditions.

**15.5 Deferral of Service:**

Colorado Springs Utilities may defer providing service until it completes construction of new transmission facilities or upgrades needed to provide Firm Point-To-Point Transmission Service whenever Colorado Springs Utilities determines that providing the requested service would, without such

new facilities or upgrades, impair or degrade reliability to any existing firm services.

### 15.6 Other Transmission Service Schedules:

Eligible Customers receiving transmission service under other agreements may continue to receive transmission service under those agreements until such time as those agreements may be modified.

### 15.7 Real Power Losses:

Real Power Losses are associated with all transmission service. Colorado Springs Utilities is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by Colorado Springs Utilities. The applicable Real Power Loss factor is 1.0%.

## 16. Transmission Customer Responsibilities

### 16.1 Conditions Required of Transmission Customers:

Point-To-Point Transmission Service shall be provided by Colorado Springs Utilities only if the following conditions are satisfied by the Transmission Customer:

(a) The Transmission Customer has pending a Completed Application for service;

(b) The Transmission Customer meets the creditworthiness criteria set forth in Section 11;

(c) The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to Colorado Springs Utilities prior to the time service under Part II of the Tariff commences;

(d) The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation;

(e) The Transmission Customer provides the information required by Colorado Springs Utilities' planning process established in Attachment K;

(f) Notwithstanding any provision in Part II of this Tariff to the contrary, the Transmission Customer must comply with the WEIS Market provisions in Attachment M, as applicable, when Colorado Springs Utilities participates in the WEIS Market as described in Attachment M; and

(g) The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3.

### 16.2 Transmission Customer Responsibility for Third-Party Arrangements:

Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by Colorado Springs Utilities, notification to Colorado Springs Utilities identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by Colorado Springs Utilities pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. However, Colorado Springs Utilities will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

## 17. Procedures for Arranging Firm Point-To-Point Transmission Service

### 17.1 Application:

A request for Firm Point-To-Point Transmission Service for periods of one year or longer must contain a written Application to: System Operations Superintendent, Colorado Springs Utilities, 215 Nichols Boulevard, Colorado Springs, CO 80907, at least sixty (60) days in advance of the calendar month in which service is to commence. Colorado Springs Utilities will consider requests for such firm service on shorter notice when feasible. Requests for firm service for periods of less than one year shall be subject to expedited procedures that shall be negotiated between the Parties within the time constraints provided in Section 17.5. All Firm Point-To-Point Transmission Service requests should be submitted by entering the information listed below on Colorado Springs Utilities' OASIS.

**17.2 Completed Application:**

A Completed Application shall provide all of the information included in 18 C.F.R.§ 2.20 including but not limited to the following:

(i) The identity, address, telephone number and facsimile number of the entity requesting service;

(ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(iii) The location of the Point(s) of Receipt and Point(s) of Delivery and the identities of the Delivering Parties and the Receiving Parties;

(iv) The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. Colorado Springs Utilities will treat this information as confidential except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice or pursuant to RTG transmission information sharing agreements. Colorado Springs Utilities shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations;

(v) A description of the supply characteristics of the capacity and energy to be delivered;

(vi) An estimate of the capacity and energy expected to be delivered to the Receiving Party;

(vii) The Service Commencement Date and the term of the requested Transmission Service;

(viii) The transmission capacity requested for each Point of Receipt and each Point of Delivery on Colorado Springs Utilities' Transmission System; customers may combine their requests for service in order to satisfy the minimum transmission capacity requirement;

(ix) A statement indicating that if the Eligible Customer submits a Pre-Confirmed Applications, the Eligible Customer will execute a Service Agreement upon receipt of notification that Colorado Springs Utilities can provide the requested Transmission Service; and

(x) Any additional information required by Colorado Springs Utilities' planning process established in Attachment K.

Colorado Springs Utilities shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

**17.3 Deposit:**

A Completed Application for Firm Point-To-Point Transmission Service also shall include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service requests of less than one month. If the Application is rejected by Colorado Springs Utilities because it does not meet the conditions for service as set forth herein, or in the case of requests for service arising in connection with losing bidders in a Request For Proposals (RFP), said deposit shall be returned with interest less any reasonable costs incurred by Colorado Springs Utilities in connection with the review of the losing bidder's Application. The deposit also will be returned with interest less any reasonable costs incurred by Colorado Springs Utilities if Colorado Springs Utilities is unable to complete new facilities needed to provide the service. If an Application is withdrawn or the Eligible Customer decides not to enter into a Service Agreement for Firm Point-To-Point Transmission Service, the deposit shall be refunded in full, with interest, less reasonable costs incurred by Colorado Springs Utilities to the extent such costs have not already been recovered by Colorado Springs Utilities from the Eligible Customer. Colorado Springs Utilities will provide to the Eligible Customer a complete accounting of all costs deducted from the refunded deposit, which the Eligible Customer may contest if there is a dispute

concerning the deducted costs. Deposits associated with construction of new facilities are subject to the provisions of Section 19. If a Service Agreement for Firm Point-To-Point Transmission Service is executed, the deposit, with interest, will be returned to the Transmission Customer upon expiration or termination of the Service Agreement for Firm Point-To-Point Transmission Service. Applicable interest shall be computed in accordance with the Commission's regulations at 18 C.F.R. § 35.19a(a)(2)(iii), and shall be calculated from the day the deposit check is credited to Colorado Springs Utilities' account.

**17.4 Notice of Deficient Application:**

If an Application fails to meet the requirements of the Tariff, Colorado Springs Utilities shall notify the entity requesting service within fifteen (15) days of receipt of the reasons for such failure. Colorado Springs Utilities will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Colorado Springs Utilities shall return the Application, along with any deposit, with interest. Upon receipt of a new or revised Application that fully complies with the requirements of Part II of the Tariff, the Eligible Customer shall be assigned a new priority consistent with the date of the new or revised Application.

### 17.5 Response to a Completed Application:

Following receipt of a Completed Application for Firm Point-To-Point Transmission Service, Colorado Springs Utilities shall make a determination of available transfer capability as required in Section 15.2. Colorado Springs Utilities shall notify the Eligible Customer as soon as practicable, but not later than thirty (30) days after the date of receipt of a Completed Application either: (i) if it will be able to provide service without performing a System Impact Study or (ii) if such a study is needed to evaluate the impact of the Application pursuant to Section 19.1. Responses by Colorado Springs Utilities must be made as soon as practicable to all completed applications (including applications by its own merchant function) and the timing of such responses must be made on a non-discriminatory basis.

### 17.6 Execution of Service Agreement:

Whenever Colorado Springs Utilities determines that a System Impact Study is not required and that the service can be provided, it shall notify the Eligible Customer as soon as practicable but no later than thirty (30) days after receipt of the Completed Application. Where a System Impact Study is required, the provisions of Section 19 will govern the execution of a Service Agreement. Failure of an Eligible Customer to execute and return the Service Agreement or request service under the unexecuted service

agreement pursuant to Section 15.3, within fifteen (15) days after it is tendered by Colorado Springs Utilities will be deemed a withdrawal and termination of the Application and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

**17.7 Extensions for Commencement of Service:**

The Transmission Customer can obtain, subject to availability, up to five (5) one-year extensions for the commencement of service. The Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Transmission Service for each year or fraction thereof within 15 days of notifying Colorado Springs Utilities it intends to extend the commencement of service. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Transmission Service, and such request can be satisfied only by releasing all or part of the Transmission Customer's Reserved Capacity, the original Reserved Capacity will be released unless the following condition is satisfied. Within thirty (30) days, the original Transmission Customer agrees to pay the Firm Point-To-Point transmission rate for its Reserved Capacity concurrent with the new Service Commencement Date. In the event the Transmission Customer elects to

release the Reserved Capacity, the reservation fees or portions thereof previously paid will be forfeited.

## 18. Procedures for Arranging Non-Firm Point-To-Point Transmission Service

### 18.1 Application:

Eligible Customers seeking Non-Firm Point-To-Point Transmission Service must submit a Completed Application to Colorado Springs Utilities. Applications should be submitted by entering the information listed below on Colorado Springs Utilities' OASIS.

### 18.2 Completed Application:

A Completed Application shall provide all of the information included in 18 C.F.R. § 2.20 including but not limited to the following:

(i) The identity, address, telephone number and facsimile number of the entity requesting service;

(ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(iii) The Point(s) of Receipt and the Point(s) of Delivery;

(iv) The maximum amount of capacity requested at each Point of Receipt and Point of Delivery; and

(v) The proposed dates and hours for initiating and terminating transmission service hereunder.

In addition to the information specified above, when required to properly evaluate system conditions, Colorado Springs Utilities also may ask the Transmission Customer to provide the following:

(i) The electrical location of the initial source of the power to be transmitted pursuant to the Transmission Customer's request for service; and

(ii) The electrical location of the ultimate load.

Colorado Springs Utilities will treat this information in (vi) and (vii) as confidential at the request of the Transmission Customer except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice, or pursuant to RTG transmission information sharing agreements. Colorado Springs Utilities shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

(iii) A statement indicating that if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that Colorado Springs Utilities can provide the requested Transmission Service.

**18.3 Reservation of Non-Firm Point-To-Point Transmission Service:**

Requests for monthly service shall be submitted no earlier than sixty (60) days before service is to commence; requests for weekly service shall be submitted no earlier than fourteen (14) days before service is to commence, requests for daily service shall be submitted no earlier than two (2) days before service is to commence, and requests for hourly service shall be submitted no earlier than noon the day before service is to commence. Requests for service received later than 2:00 p.m. prior to the day service is scheduled to commence will be accommodated if practicable [or such reasonable times that are generally accepted in the region and are consistently adhered to by the Transmission Provider].

**18.4 Determination of Available Transfer Capability:**

Following receipt of a tendered schedule Colorado Springs Utilities will make a determination on a non-discriminatory basis of available transfer capability pursuant to Section 15.2. Such determination shall be made as soon as reasonably practicable after receipt, but not later than the following time periods for the following terms of service: (i) thirty (30) minutes for hourly service, (ii) thirty (30) minutes for daily service, (iii) four (4) hours for weekly service, and (iv) two (2) days for monthly service [or such reasonable times

that are generally accepted in the region and are consistently adhered to by Colorado Springs Utilities].

## 19. Additional Study Procedures For Firm Point-To-Point Transmission Service Requests

### 19.1 Notice of Need for System Impact Study:

After receiving a request for service, Colorado Springs Utilities shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of Colorado Springs Utilities' methodology for completing a System Impact Study is provided in Attachment D. If Colorado Springs Utilities determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. Once informed, the Eligible Customer shall timely notify Colorado Springs Utilities if it elects to have Colorado Springs Utilities study redispatch or conditional curtailment as part of the System Impact Study. If notification is provided prior to tender of the System Impact Study Agreement, the Eligible Customer can avoid the costs associated with the study of these options. Colorado Springs Utilities shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Colorado Springs Utilities for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible

Customer shall execute the System Impact Study Agreement and return it to Colorado Springs Utilities within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest.

**19.2 System Impact Study Agreement and Cost Reimbursement:**

(i) The System Impact Study Agreement will clearly specify Colorado Springs Utilities' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, Colorado Springs Utilities shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

(ii) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System

(iii) Impact Study is sufficient for Colorado Springs Utilities to accommodate the requests for service, the costs of that study shall be pro-rated among the Eligible Customers.

(iv) For System Impact Studies that Colorado Springs Utilities conducts on its own behalf, Colorado Springs Utilities shall record the cost of the System Impact Studies pursuant to Section 20.

**19.3 System Impact Study Procedures:**

Upon receipt of an executed System Impact Study Agreement, Colorado Springs Utilities will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify (1) any system constraints, identified with specificity by transmission element or flowgate, (2) redispatch options (when requested by an Eligible Customer) including an estimate of the cost of redispatch, (3) conditional curtailment options (when requested by an Eligible Customer) including the number of hours per year and the System Conditions during which conditional curtailment may occur, and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within Colorado Springs Utilities'

Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If the Transmission Provider possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Colorado Springs Utilities is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. Colorado Springs Utilities will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. Colorado Springs Utilities shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service

Agreement or request service under the unexecuted Service Agreement pursuant to Section 15.3, or the Application shall be deemed terminated and withdrawn.

**19.4 Facilities Study Procedures:**

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Colorado Springs Utilities, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Colorado Springs Utilities for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to Colorado Springs Utilities within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest. Upon receipt of an executed Facilities Study Agreement, Colorado Springs Utilities will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Colorado Springs Utilities is unable to complete the Facilities Study in the allotted time period, Colorado Springs Utilities shall notify the Transmission Customer and

provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Transmission Customer, (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades as determined pursuant to the provisions of Part II of the Tariff, and (iii) the time required to complete such construction and initiate the requested service. The Transmission Customer shall provide Colorado Springs Utilities with a letter of credit or other reasonable form of security acceptable to Colorado Springs Utilities equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Transmission Customer shall have thirty (30) days to execute a Service Agreement or request service under the unexecuted Service Agreement and provide the required letter of credit or other form of security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

**19.5 Facilities Study Modifications:**

Any change in design arising from the inability to site or construct facilities as proposed will require development of a revised good faith estimate. New

good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of Colorado Springs Utilities that significantly affect the final cost of new facilities or upgrades to be charged to the Transmission Customer pursuant to the provisions of Part II of the Tariff.

**19.6 Due Diligence in Completing New Facilities:**

Colorado Springs Utilities shall use due diligence to add necessary facilities or upgrade its Transmission System within a reasonable time. Colorado Springs Utilities will not upgrade its existing or planned Transmission System in order to provide the requested Firm Point-To-Point Transmission Service if doing so would impair system reliability or otherwise impair or degrade existing firm service.

**19.7 Partial Interim Service:**

If Colorado Springs Utilities determines that it will not have adequate transfer capability to satisfy the full amount of a Completed Application for Firm Point-To-Point Transmission Service, Colorado Springs Utilities nonetheless shall be obligated to offer and provide the portion of the requested Firm Point-To-Point Transmission Service that can be accommodated without addition of any facilities and through redispatch. However, Colorado Springs Utilities

shall not be obligated to provide the incremental amount of requested Firm Point-To-Point Transmission Service that requires the addition of facilities or upgrades to the Transmission System until such facilities or upgrades have been placed in service.

**19.8 Expedited Procedures for New Facilities:**

In lieu of the procedures set forth above, the Eligible Customer shall have the option to expedite the process by requesting Colorado Springs Utilities to tender at one time, together with the results of required studies, an "Expedited Service Agreement" pursuant to which the Eligible Customer would agree to compensate Colorado Springs Utilities for all costs incurred pursuant to the terms of the Tariff. In order to exercise this option, the Eligible Customer shall request in writing an expedited Service Agreement covering all of the above-specified items within thirty (30) days of receiving the results of the System Impact Study identifying needed facility additions or upgrades or costs incurred in providing the requested service. While Colorado Springs Utilities agrees to provide the Eligible Customer with its best estimate of the new facility costs and other charges that may be incurred, such estimate shall not be binding and the Eligible Customer must agree in writing to compensate Colorado Springs Utilities for all costs incurred pursuant to the provisions of the Tariff. The Eligible Customer shall

execute and return such an Expedited Service Agreement within fifteen (15) days of its receipt or the Eligible Customer's request for service will cease to be a Completed Application and will be deemed terminated and withdrawn.

## 20. Procedures if Colorado Springs Utilities is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service

### 20.1 Delays in Construction of New Facilities:

If any event occurs that will materially affect the time for completion of new facilities, or the ability to complete them, Colorado Springs Utilities shall promptly notify the Transmission Customer. In such circumstances, Colorado Springs Utilities shall within thirty (30) days of notifying the Transmission Customer of such delays, convene a technical meeting with the Transmission Customer to evaluate the alternatives available to the Transmission Customer. Colorado Springs Utilities also shall make available to the Transmission Customer studies and work papers related to the delay, including all information that is in the possession of Colorado Springs Utilities that is reasonably needed by the Transmission Customer to evaluate any alternatives.

### 20.2 Alternatives to the Original Facility Additions:

When the review process of Section 20.1 determines that one or more alternatives exist to the originally planned construction project, Colorado Springs Utilities shall present such alternatives for consideration by the Transmission Customer. If, upon review of any alternatives, the Transmission Customer desires to maintain its Completed Application subject to construction of the alternative facilities, it may request Colorado Springs Utilities to submit a revised Service Agreement for Firm Point-To-Point Transmission Service. If the alternative approach solely involves Non-Firm Point-To-Point Transmission Service, Colorado Springs Utilities shall promptly tender a Service Agreement for Non-Firm Point-To-Point Transmission Service providing for the service. In the event Colorado Springs Utilities concludes that no reasonable alternative exists and the Transmission Customer disagrees, the Transmission Customer may seek relief under the dispute resolution procedures pursuant to Section 12.

### 20.3 Refund Obligation for Unfinished Facility Additions:

If Colorado Springs Utilities and the Transmission Customer mutually agree that no other reasonable alternatives exist and the requested service cannot be provided out of existing capability under the conditions of Part II of the Tariff, the obligation to provide the requested Firm Point-To-Point

Transmission Service shall terminate and any deposit made by the Transmission Customer shall be returned with interest pursuant to Commission regulations 35.19a(a)(2)(iii). However, the Transmission Customer shall be responsible for all prudently incurred costs by Colorado Springs Utilities through the time construction was suspended.

## 21. Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities

### 21.1 Responsibility for Third-Party System Additions:

Colorado Springs Utilities shall not be responsible for making arrangements for any necessary engineering, permitting, and construction of transmission or distribution facilities on the system(s) of any other entity or for obtaining any regulatory approval for such facilities. Colorado Springs Utilities will undertake reasonable efforts to assist the Transmission Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

### 21.2 Coordination of Third-Party System Additions:

In circumstances where the need for transmission facilities or upgrades is identified pursuant to the provisions of Part II of the Tariff, and if such upgrades further require the addition of transmission facilities on other systems, Colorado Springs Utilities shall have the right to coordinate

construction on its own system with the construction required by others. Colorado Springs Utilities, after consultation with the Transmission Customer and representatives of such other systems, may defer construction of its new transmission facilities, if the new transmission facilities on another system cannot be completed in a timely manner. Colorado Springs Utilities shall notify the Transmission Customer in writing of the basis for any decision to defer construction and the specific problems which must be resolved before it will initiate or resume construction of new facilities. Within sixty (60) days of receiving written notification by Colorado Springs Utilities of its intent to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures pursuant to Section 12.

## 22. Changes in Service Specifications

### 22.1 Modifications On a Non-Firm Basis:

The Transmission Customer taking Firm Point-To-Point Transmission Service may request Colorado Springs Utilities to provide transmission service on a non-firm basis over Receipt and Delivery Points other than those specified in the Service Agreement ("Secondary Receipt and Delivery Points"), in amounts not to exceed its firm capacity reservation, without incurring an additional Non-Firm Point-To-Point Transmission Service charge or executing a new Service Agreement, subject to the following conditions.

(a) Service provided over Secondary Receipt and Delivery Points will be non-firm only, on an as-available basis and will not displace any firm or non-firm service reserved or scheduled by third-parties under the Tariff or by Colorado Springs Utilities on behalf of its Native Load Customers.

(b) The sum of all Firm and non-firm Point-To-Point Transmission Service provided to the Transmission Customer at any time pursuant to this section shall not exceed the Reserved Capacity in the relevant Service Agreement under which such services are provided.

(c) The Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service at the Receipt and Delivery Points specified in the relevant Service Agreement in the amount of its original capacity reservation.

(d) Service over Secondary Receipt and Delivery Points on a non-firm basis shall not require the filing of an Application for Non-Firm Point-To-Point Transmission Service under the Tariff. However, all other requirements of Part II of the Tariff (except as to transmission rates) shall apply to transmission service on a non-firm basis over Secondary Receipt and Delivery Points.

### 22.2 Modification On a Firm Basis:

Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement.

## 23. Sale or Assignment of Transmission Service

### 23.1 Procedures for Assignment or Transfer of Service:

(a) A Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement, but only to another Eligible Customer (the Assignee). The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement is hereafter referred to as the Reseller. Compensation to Resellers shall be at rates established by agreement between the Reseller and the Assignee.

(b) The Assignee must execute a Service Agreement with Colorado Springs Utilities governing reassignments of transmission service prior to the date on which the reassigned service commences. Colorado Springs Utilities shall charge the Reseller, as appropriate, at the rate stated in the Reseller's

Service Agreement with Colorado Springs Utilities or the associated OASIS schedule and credit the Reseller with the price reflected in the Assignee's Service Agreement with Colorado Springs Utilities or the associated OASIS schedule; provided that, such credit shall be reversed in the event of non-payment by the Assignee. If the Assignee does not request any change in the Point(s) of Receipt or the Point(s) of Delivery, or a change in any other term or condition set forth in the original Service Agreement, the Assignee will receive the same services as did the Reseller and the priority of service for the Assignee will be the same as that of the Reseller. The Assignee will be subject to all terms and conditions of this Tariff. If the Assignee requests a change in service, the reservation priority of service will be determined by Colorado Springs Utilities pursuant to Section 13.2.

**23.2 Limitations on Assignment or Transfer of Service:**

If the Assignee requests a change in the Point(s) of Receipt or Point(s) of Delivery, or a change in any other specifications set forth in the original Service Agreement, Colorado Springs Utilities will consent to such change subject to the provisions of the Tariff, provided that the change will not impair the operation and reliability of Colorado Springs Utilities' generation, transmission, or distribution systems. The Assignee shall compensate Colorado Springs Utilities for performing any System Impact Study needed to

evaluate the capability of the Transmission System to accommodate the proposed change and any additional costs resulting from such change. The Reseller shall remain liable for the performance of all obligations under the Service Agreement, except as specifically agreed to by Colorado Springs Utilities and the Reseller through an amendment to the Service Agreement.

**23.3 Information on Assignment or Transfer of Service:**

In accordance with Section 4, all sales or assignments of capacity must be conducted through or otherwise posted on Colorado Springs Utilities' OASIS on or before the date the reassigned service commences and are subject to Section 23.1. Resellers may also use Colorado Springs Utilities' OASIS to post transmission capacity available for resale.

## 24. Metering and Power Factor Correction at Receipt and Delivery Point(s)

**24.1 Transmission Customer Obligations:**

Unless otherwise agreed, the Transmission Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under Part II of the Tariff and to communicate the information to Colorado Springs Utilities. Such equipment shall remain the property of the Transmission Customer.

**24.2 Transmission Provider Access to Metering Data:**

Colorado Springs Utilities shall have access to metering data, which may reasonably be required to facilitate measurements and billing under the Service Agreement.

### 24.3 Power Factor:

Unless otherwise agreed, the Transmission Customer is required to maintain a power factor within the same range as Colorado Springs Utilities pursuant to Good Utility Practices. The power factor requirements are specified in the Service Agreement where applicable.

## 25. Compensation for Transmission Service

Rates for Firm and Non-Firm Point-To-Point Transmission Service are provided in the Schedules appended to the Tariff: Firm Point-To-Point Transmission Service (Schedule 7); and Non-Firm Point-To-Point Transmission Service (Schedule 8). Colorado Springs Utilities shall use Part II of the Tariff to make its Third-Party Sales. Colorado Springs Utilities shall account for such use at the applicable Tariff rates, pursuant to Section 8.

## 26. Stranded Cost Recovery

Colorado Springs Utilities may seek to recover stranded costs from the Transmission Customer pursuant to this Tariff consistent with the terms and conditions set forth for Public Utilities in FERC Order No. 888. However, the Transmission Provider's proposed stranded cost recovery shall be subject to the dispute resolution procedures of Section 12.

## 27. Compensation for New Facilities and Redispatch Costs

Whenever a System Impact Study performed by Colorado Springs Utilities in connection with the provision of Firm Point-To-Point Transmission Service identifies the need for new facilities, the Transmission Customer shall be responsible for such costs to the extent consistent with Commission policy. Whenever a System Impact Study performed by Colorado Springs Utilities identifies capacity constraints that may be relieved by redispatching Colorado Springs Utilities' resources to eliminate such constraints, the Transmission Customer shall be responsible for the redispatch costs to the extent consistent with Commission policy.

# III. NETWORK INTEGRATION TRANSMISSION SERVICE

## Preamble

Colorado Springs Utilities will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which Colorado Springs Utilities utilizes its Transmission System to serve its Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff.

### 28. Nature of Network Integration Transmission Service

#### 28.1 Scope of Service:

Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in Colorado Springs Utilities' Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer taking Network Integration

Transmission Service must obtain or provide Ancillary Services pursuant to Section 3. Notwithstanding any provision in Part III of this Tariff to the contrary, the Network Customer must comply with the WEIS Market provisions in Attachment M, as applicable, when Colorado Springs Utilities participates in the WEIS Market as described in Attachment M.

**28.2 Transmission Provider Responsibilities:**

Colorado Springs Utilities will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice and its planning obligations in Attachment K in order to provide the Network Customer with Network Integration Transmission Service over Colorado Springs Utilities' Transmission System. Colorado Springs Utilities, on behalf of its Native Load Customers, shall be required to designate resources and loads in the same manner as any Network Customer under Part III of this Tariff. This information must be consistent with the information used by Colorado Springs Utilities to calculate available transfer capability. Colorado Springs Utilities shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice and Attachment K, endeavor to construct and place into service sufficient transfer capability to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to Colorado Springs Utilities' delivery of its own generating and purchased resources to its Native Load Customers.

### 28.3 Network Integration Transmission Service:

Colorado Springs Utilities will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to Colorado Springs Utilities' use of the Transmission System to reliably serve its Native Load Customers.

### 28.4 Secondary Service:

The Network Customer may use Colorado Springs Utilities' Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Secondary service shall not require the filing of an Application for Network Integration Transmission Service under the Tariff. However, all other requirements of Part III of the Tariff (except for transmission rates) shall apply to secondary service. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.

### 28.5 Real Power Losses:

Real Power Losses are associated with all transmission service. Colorado Springs Utilities is not obligated to provide Real Power Losses. The Network Customer is responsible for replacing losses associated with all transmission service as calculated by Colorado Springs Utilities. The applicable Real Power Loss factor is 1.0%.

### 28.6 Restrictions on Use of Service:

The Network Customer shall not use Network Integration Transmission Service for (i) sales of capacity and energy to non-designated loads, or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of Colorado Springs Utilities' Transmission System. Colorado Springs Utilities shall specify any appropriate charges and penalties and all related terms and conditions applicable in the event that a Network Customer uses Network Integration Transmission Service or secondary service pursuant to Section 28.4 to facilitate a wholesale sale that does not serve a Network Load.

## 29. Initiating Service

### 29.1 Condition Precedent for Receiving Service:

Subject to the terms and conditions of Part III of the Tariff, Colorado Springs Utilities will provide Network Integration Transmission Service to any Eligible Customer, provided that (i) the Eligible Customer completes an Application for service as provided under Part III of the Tariff, (ii) the Eligible Customer and Colorado Springs Utilities complete the technical arrangements set forth in Sections 29.3 and 29.4, (iii) the Eligible Customer executes a Service Agreement pursuant to Attachment F for service under Part III of the Tariff or requests in writing that the provisions of Section 29.6 apply, and (iv) the Eligible Customer executes a Network Operating Agreement with Colorado Springs Utilities pursuant to Attachment G.

### 29.2 Application Procedures:

An Eligible Customer requesting service under Part III of the Tariff must submit an Application, with a deposit approximating the charge for one month of service, to Colorado Springs Utilities as far as possible in advance of the month in which service is to commence. Unless subject to the procedures in Section 2, Completed Applications for Network Integration Transmission Service will be assigned a priority according to the date and time the Application is received, with the earliest Application receiving the highest

priority. Applications should be submitted by entering the information listed below on Colorado Springs Utilities' OASIS. A Completed Application shall provide all of the information included in 18 C.F.R. § 2.20 including but not limited to the following:

(i) The identity, address, telephone number and facsimile number of the party requesting service;

(ii) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(iii) A description of the Network Load at each delivery point. This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each Colorado Springs Utilities' substation at the same transmission voltage level. The description should include a ten (10) year forecast of summer and winter load and resource requirements beginning with the first year after the service is scheduled to commence;

(iv) The amount and location of any interruptible loads included in the Network Load. This shall include the summer and winter capacity requirements for each interruptible load (had such load

not been interruptible), that portion of the load subject to interruption, the conditions under which an interruption can be implemented and any limitations on the amount and frequency of interruptions. An Eligible Customer should identify the amount of interruptible customer load (if any) included in the 10 year load forecast provided in response to (iii) above;

(v) A description of Network Resources (current and 10-year projection). For each on-system Network Resource, such description shall include:

- Unit size and amount of capacity from that unit to be designated as Network Resource
- VAR capability (both leading and lagging) of all generators
- Operating restrictions
  - Any periods of restricted operations throughout the year
  - Maintenance schedules
  - Minimum loading level of unit
  - Normal operating level of unit
  - Any must-run unit designations required for system reliability or contract reasons

- Approximate variable generating cost ($/MWH) for redispatch computations
- Arrangements governing sale and delivery of power to third parties from generating facilities located in Colorado Springs Utilities' Control Area, where only a portion of unit output is designated as a Network Resource;

For each off-system Network Resource, such description shall include:

- Identification of the Network Resource as an off-system resource
- Amount of power to which the customer has rights
- Identification of the control area(s) from which the power will originate
- Delivery point(s) to Colorado Springs Utilities' Transmission System
- Transmission arrangements on the external transmission system(s)
- Operating restrictions, if any
  - Any periods of restricted operations throughout the year
  - Maintenance schedules

- Minimum loading level of unit
- Normal operating level of unit
- Any must-run unit designations required for system reliability or contract reasons

- Approximate variable generating cost ($/MWH) for redispatch computations;

(vi) Description of Eligible Customer's transmission system:

- Load flow and stability data, such as real and reactive parts of the load, lines, transformers, reactive devices and load type, including normal and emergency ratings of all transmission equipment in a load flow format compatible with that used by Colorado Springs Utilities
- Operating restrictions needed for reliability
- Operating guides employed by system operators
- Contractual restrictions or committed uses of the Eligible Customer's transmission system, other than the Eligible Customer's Network Loads and Resources
- Location of Network Resources described in subsection (v) above
- 10 year projection of system expansions or upgrades

- Transmission System maps that include any proposed expansions or upgrades
- Thermal ratings of Eligible Customer's Control Area ties with other Control Areas;

(vii) Service Commencement Date and the term of the requested Network Integration Transmission Service. The minimum term for Network Integration Transmission Service is one year;

(viii) A statement signed by an authorized officer from or agent of the Network Customer attesting that all of the network resources listed pursuant to Section 29.2(v) satisfy the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) the Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program; and

(ix) Any additional information required of the Transmission Customer as specified in Colorado Springs Utilities' planning process established in Attachment K.

Unless the Parties agree to a different time frame, Colorado Springs Utilities must acknowledge the request within ten (10) days of receipt. The acknowledgement must include a date by which a response, including a Service Agreement, will be sent to the Eligible Customer. If an Application fails to meet the requirements of this section, Colorado Springs Utilities shall notify the Eligible Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever possible, Colorado Springs Utilities will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Colorado Springs Utilities shall return the Application without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. Colorado Springs Utilities shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

### 29.3 Technical Arrangements to be Completed Prior to Commencement of Service:

Network Integration Transmission Service shall not commence until Colorado Springs Utilities and the Network Customer, or a third party, have completed installation of all equipment specified under the Network Operating Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System. Colorado Springs Utilities shall exercise reasonable efforts, in coordination with the Network Customer, to complete such arrangements as soon as practicable taking into consideration the Service Commencement Date.

### 29.4 Network Customer Facilities:

The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of each delivery point or interconnection necessary to reliably deliver capacity and energy from Colorado Springs Utilities' Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each such delivery point or interconnection.

### 29.5 Retention of Service Agreement:

Service Agreements shall be executed in accordance with these Tariffs. Colorado Springs Utilities will retain executed Service Agreements.

### 29.6 Initiating Service in the Absence of an Executed Service Agreement:

If Colorado Springs Utilities and the Transmission Customer requesting Network Integration Transmission Service pursuant to this Tariff cannot agree on all the terms and conditions of the Network Integration Transmission Service Agreement, upon written request from the Transmission Customer, Colorado Springs Utilities and Transmission Customer shall submit the disputed terms and conditions to the dispute resolution procedures of Section 12. Colorado Springs Utilities shall commence providing Transmission Service under an unexecuted Service Agreement containing terms and conditions deemed appropriate by Colorado Springs Utilities for the requested Transmission Service subject to the Transmission Customer agreeing to: (i) compensate Colorado Springs Utilities under rates ultimately determined to be comparable and (ii) comply with the terms of this Tariff.

## 30. Network Resources

### 30.1 Designation of Network Resources:

Network Resources shall include all generation owned, purchased, or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

**30.2 Designation of New Network Resources:**

The Network Customer may designate a new Network Resource by providing Colorado Springs Utilities with as much advance notice as practicable. A designation of a new Network Resource must be made through Colorado Springs Utilities' OASIS by a request for modification of service pursuant to an Application under Section 29. This request must include a statement that the new network resource satisfies the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation

where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) The Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program. The Network Customer's request will be deemed deficient if it does not include this statement and Colorado Springs Utilities will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

**30.3 Termination of Network Resources:**

The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource by providing notification to Colorado Springs Utilities through OASIS as soon as reasonably practicable, but not later than the firm scheduling deadline for the period of termination. Any request for termination of Network Resource status must be submitted on OASIS, and should indicate whether the request is for indefinite or temporary termination. A request for indefinite termination of Network Resource status must indicate the date and time that the termination is to be effective, and the identification and capacity of the resource(s) or portions

thereof to be indefinitely terminated. A request for temporary termination of Network Resource status must include the following:

(i) Effective date and time of temporary termination;

(ii) Effective date and time of redesignation, following period of temporary termination;

(iii) Identification and capacity of resource(s) or portions thereof to be temporarily terminated;

(iv) Resource description and attestation for redesignating the network resource following the temporary termination, in accordance with Section 30.2; and

(v) Identification of any related transmission service requests to be evaluated concomitantly with the request for temporary termination, such that the requests for undesignation and the request for these related transmission service requests must be approved or denied as a single request. The evaluation of these related transmission service requests must take into account the termination of the network resources identified in (iii) above, as well as all competing transmission service requests of higher priority.

As part of a temporary termination, a Network Customer may only redesignate the same resource that was originally designated, or a portion thereof. Requests to redesignate a different resource and/or a resource with increased capacity will be deemed deficient and Colorado Springs Utilities will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

**30.4 Operation of Network Resources:**

The Network Customer shall not operate its designated Network Resources located in the Network Customer's or Colorado Springs Utilities' Control Area such that the output of those facilities exceeds its designated Network Load, plus Non-Firm Sales delivered pursuant to Part II of the Tariff, plus losses, plus power sales under a reserve sharing program, plus sales that permit curtailment without penalty to serve its designated Network Load. This limitation shall not apply to changes in the operation of a Transmission Customer's Network Resources at the request of Colorado Springs Utilities to respond to an emergency or other unforeseen condition which may impair or degrade the reliability of the Transmission System. For all Network Resources not physically connected with Colorado Springs Utilities' Transmission System, the Network Customer may not schedule delivery of energy in excess of the Network Resource's capacity, as specified in the

Network Customer's Application pursuant to Section 29, unless the Network Customer supports such delivery within Colorado Springs Utilities' Transmission System by either obtaining Point-to-Point Transmission Service or utilizing secondary service pursuant to Section 28.4. Colorado Springs Utilities shall specify the rate treatment and all related terms and conditions applicable in the event that a Network Customer's schedule at the delivery point for a Network Resource not physically interconnected with Colorado Springs Utilities' Transmission System exceeds the Network Resource's designated capacity, excluding energy delivered using secondary service or Point-to-Point Transmission Service.

**30.5 Network Customer Redispatch Obligation:**

As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by Colorado Springs Utilities pursuant to Section 33.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and between all Network Customers, and Colorado Springs Utilities.

**30.6 Transmission Arrangements for Network Resources Not Physically Interconnected With Colorado Springs Utilities:**

The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with Colorado Springs Utilities' Transmission System. Colorado Springs Utilities will undertake reasonable efforts to assist the Network Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other entity pursuant to Good Utility Practice.

**30.7 Limitation on Designation of Network Resources:**

The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff.

**30.8 Use of Interface Capacity by the Network Customer:**

There is no limitation upon a Network Customer's use of Colorado Springs Utilities' Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its Network Loads. However, a Network Customer's use of Colorado Springs Utilities' total interface capacity with other transmission systems may not exceed the Network Customer's Load.

### 30.9 Network Customer Owned Transmission Facilities:

The Network Customer that owns existing transmission facilities that are integrated with Colorado Springs Utilities' Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. In order to receive such consideration the Network Customer must demonstrate that its transmission facilities are integrated into the plans or operations of Colorado Springs Utilities, to serve its power and transmission customers. For facilities added by the Network Customer subsequent to May 14, 2007, the Network Customer shall receive credit for such transmission facilities added if such facilities are integrated into the operations of Colorado Springs Utilities' facilities; provided however, the Network Customer's transmission facilities shall be presumed to be integrated if such transmission facilities, if owned by Colorado Springs Utilities, would be eligible for inclusion in Colorado Springs Utilities' annual transmission revenue requirement as specified in Attachment H. Calculation of any credit under this subsection shall be addressed in either the Network Customer's Service Agreement or any other agreement between the Parties.

## 31. Designation of Network Load

### 31.1 Network Load:

The Network Customer must designate the individual Network Loads on whose behalf Colorado Springs Utilities will provide Network Integration

Transmission Service. The Network Loads shall be specified in the Service Agreement

### 31.2 New Network Loads Connected With Colorado Springs Utilities:

The Network Customer shall provide Colorado Springs Utilities with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load must be made through a modification of service pursuant to a new Application. Colorado Springs Utilities will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Commission policies.

### 31.3 Network Load Not Physically Interconnected with Colorado Springs Utilities:

This section applies to both initial designation pursuant to Section 31.1 and the subsequent addition of new Network Load not physically interconnected with Colorado Springs Utilities. To the extent that the Network Customer desires to obtain transmission service for a load outside Colorado Springs Utilities' Transmission System, the Network Customer shall have the option

of (1) electing to include the entire load as Network Load for all purposes under Part III of the Tariff and designating Network Resources in connection with such additional Network Load, or (2) excluding that entire load from its Network Load and purchasing Point-To-Point Transmission Service under Part II of the Tariff. To the extent that the Network Customer gives notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made through a modification of service pursuant to a new Application.

**31.4 New Interconnection Points:**

To the extent the Network Customer desires to add a new Delivery Point or interconnection point between Colorado Springs Utilities' Transmission System and a Network Load, the Network Customer shall provide Colorado Springs Utilities with as much advance notice as reasonably practicable.

**31.5 Changes in Service Requests:**

Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (e.g. the addition of a new Network Resource or designation of a new Network Load) in any way relieve the Network Customer of its obligation to pay the costs of transmission facilities constructed by Colorado Springs Utilities and charged to the Network Customer as reflected in the Service Agreement.

However, Colorado Springs Utilities must treat any requested change in Network Integration Transmission Service in a non-discriminatory manner.

### 31.6 Annual Load and Resource Information Updates:

The Network Customer shall provide Colorado Springs Utilities with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff including, but not limited to, any information provided under section 29.2(ix) pursuant to Colorado Springs Utilities planning process in Attachment K. The Network Customer also shall provide Colorado Springs Utilities with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting Colorado Springs Utilities' ability to provide reliable service.

## 32 Additional Study Procedures For Network Integration Transmission Service Requests

### 32.1 Notice of Need for System Impact Study:

After receiving a request for service, Colorado Springs Utilities shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of Colorado Springs Utilities' methodology for completing a System Impact Study is provided in Attachment D. If Colorado

Springs Utilities determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, Colorado Springs Utilities shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Colorado Springs Utilities for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to Colorado Springs Utilities within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest.

**32.2 System Impact Study Agreement and Cost Reimbursement:**

(i) The System Impact Study Agreement will clearly specify Colorado Springs Utilities' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, Colorado Springs Utilities shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for

such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

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

(iii) For System Impact Studies that Colorado Springs Utilities conducts on its own behalf, Colorado Springs Utilities shall record the cost of the System Impact Studies pursuant to Section 8.

**32.3 System Impact Study Procedures**:

Upon receipt of an executed System Impact Study Agreement, Colorado Springs Utilities will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify (1) any system constraints, identified with specificity by transmission element or flowgate, (2) redispatch options, (when requested by an Eligible

Customer) including, to the extent possible, an estimate of the cost of redispatch, (3) available options for installation of automatic devices to curtail service (when requested by an Eligible Customer), and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study or redispatch options, the System Impact Study shall (1) identify all resources located within Colorado Springs Utilities' Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If Colorado Springs Utilities possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Colorado Springs Utilities is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. Colorado Springs Utilities will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for

itself. Colorado Springs Utilities shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request that the provisions of Section 29.6 apply, or the Application shall be deemed terminated and withdrawn.

**32.4 Facilities Study Procedures:**

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Colorado Springs Utilities, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Colorado Springs Utilities for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to Colorado Springs Utilities within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its Application shall be

deemed withdrawn and its deposit shall be returned with interest. Upon receipt of an executed Facilities Study Agreement, Colorado Springs Utilities will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Colorado Springs Utilities is unable to complete the Facilities Study in the allotted time period, Colorado Springs Utilities shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide Colorado Springs Utilities with a letter of credit or other reasonable form of security acceptable to Colorado Springs Utilities equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty (30) days to execute a Service Agreement or request that the provisions of Section 29.6 apply and provide the required letter of credit or other form of security or the

request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

## 33 Load Shedding and Curtailments

### 33.1 Procedures:

Prior to the Service Commencement Date, Colorado Springs Utilities and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the Transmission System. The Parties will implement such programs during any period when Colorado Springs Utilities determines that a system contingency exists and such procedures are necessary to alleviate such contingency. Colorado Springs Utilities will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

### 33.2 Transmission Constraints:

During any period when Colorado Springs Utilities determines that a transmission constraint exists on the Transmission System, and such constraint may impair the reliability of Colorado Springs Utilities' system, Colorado Springs Utilities will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of Colorado Springs Utilities' system. To the extent Colorado Springs Utilities determines that the reliability of the Transmission System can be maintained

by redispatching resources, Colorado Springs Utilities will initiate procedures pursuant to the Network Operating Agreement to redispatch all Network Resources and Colorado Springs Utilities' own resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate between Colorado Springs Utilities' use of the Transmission System on behalf of its Native Load Customers and any Network Customer's use of the Transmission System to serve its designated Network Load.

**33.3 Cost Responsibility for Relieving Transmission Constraints:**

Whenever Colorado Springs Utilities implements least-cost redispatch procedures in response to a transmission constraint, Colorado Springs Utilities and Network Customers will each bear a proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

**33.4 Curtailments of Scheduled Deliveries:**

If a transmission constraint on Colorado Springs Utilities' Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and Colorado Springs Utilities determines that it is necessary to Curtail scheduled deliveries, the Parties shall Curtail such schedules in accordance with the Network Operating Agreement.

### 33.5 Allocation of Curtailments:

Colorado Springs Utilities shall, on a non-discriminatory basis, Curtail the transaction(s) that effectively relieve the constraint. However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by Colorado Springs Utilities and Network Customer in proportion to their respective Load Ratio Shares. Colorado Springs Utilities shall not direct the Network Customer to Curtail schedules to an extent greater than Colorado Springs Utilities would Curtail Colorado Springs Utilities' schedules under similar circumstances.

### 33.6 Load Shedding:

To the extent that a system contingency exists on Colorado Springs Utilities' Transmission System and Colorado Springs Utilities determines that it is necessary for Colorado Springs Utilities and the Network Customer to shed load, the Parties shall shed load in accordance with previously established procedures under the Network Operating Agreement.

### 33.7 System Reliability:

Notwithstanding any other provisions of this Tariff, Colorado Springs Utilities reserves the right, consistent with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on Colorado Springs Utilities' part for the purpose of making

necessary adjustments to, changes in, or repairs on its lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on Colorado Springs Utilities' Transmission System or on any other system(s) directly or indirectly interconnected with Colorado Springs Utilities' Transmission System, Colorado Springs Utilities, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or transmission facilities, or (iii) expedite restoration of service. Colorado Springs Utilities will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will be not unduly discriminatory relative to Colorado Springs Utilities' use of the Transmission System on behalf of its Native Load Customers. Colorado Springs Utilities shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.

## 34 Rates and Charges

The Network Customer shall pay Colorado Springs Utilities for any Direct Assignment Facilities, Ancillary Services, and applicable study costs, consistent with Commission policy, along with the following:

### 34.1 Monthly Demand Charge:

The Network Customer shall pay a monthly Demand Charge, which shall be determined by multiplying its Load Ratio Share times one twelfth (1/12) of Colorado Springs Utilities' Annual Transmission Revenue Requirement specified in Schedule H.

### 34.2 Determination of Network Customer's Monthly Network Load:

The Network Customer's monthly Network Load is its hourly load (including its designated Network Load not physically interconnected with Colorado Springs Utilities under Section 31.3) coincident with Colorado Springs Utilities' Monthly Transmission System Peak.

### 34.3 Determination of Transmission Provider's Monthly Transmission System Load:

Colorado Springs Utilities' monthly Transmission System load is Colorado Springs Utilities' Monthly Transmission System Peak minus the coincident peak usage of all Firm Point-To-Point Transmission Service customers

pursuant to Part II of this Tariff plus the Reserved Capacity of all Firm Point-To-Point Transmission Service customers.

### 34.4 Redispatch Charge:

The Network Customer shall pay a Load Ratio Share of any redispatch costs allocated between the Network Customer and Colorado Springs Utilities pursuant to Section 33. To the extent that Colorado Springs Utilities incurs an obligation to the Network Customer for redispatch costs in accordance with Section 33, such amounts shall be credited against the Network Customer's bill for the applicable month.

### 34.5 Stranded Cost Recovery:

Colorado Springs Utilities may seek to recover stranded costs from the Network Customer pursuant to this Tariff in accordance with the terms and conditions set forth for public utilities in FERC Order No. 888. However, Colorado Springs Utilities' proposed stranded cost recovery shall be subject to the dispute resolution procedures of Section 12.

## 35 Operating Arrangements

### 35.1 Operation under the Network Operating Agreement:

The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement.

### 35.2 Network Operating Agreement:

The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part III of the Tariff shall be specified in the Network Operating Agreement. The Network Operating Agreement shall provide for the Parties to: (i) operate and maintain equipment necessary for integrating the Network Customer within Colorado Springs Utilities' Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), (ii) transfer data between Colorado Springs Utilities and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside Colorado Springs Utilities' Transmission System, interchange schedules, unit outputs for redispatch required under Section 33, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint

dispatching, (iv) exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either: (i) operate as a Control Area under applicable guidelines of the Electric Reliability Organization (ERO) as defined in 18 C.F.R. § 39.1, (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with Colorado Springs Utilities, or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, which satisfies the applicable reliability guidelines of the ERO. Colorado Springs Utilities shall not unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services. The Network Operating Agreement is included in Attachment G.

**35.3 Network Operating Committee:**

A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall

meet from time to time as need requires, but no less than once each calendar year.

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## SCHEDULE 1

### Scheduling, System Control and Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into a Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by Colorado Springs Utilities (if Colorado Springs Utilities is the Control Area operator) or indirectly by Colorado Springs Utilities making arrangements with the Control Area operator that performs this service for Colorado Springs Utilities' Transmission System. The Transmission Customer must purchase this service from Colorado Springs Utilities or the Control Area operator. The charges for Scheduling, System Control and Dispatch Service are to be based on the rates set forth below. To the extent the Control Area operator performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by that Control Area operator.

The charges for Scheduling, System Control and Dispatch Service are as follows:

Point-to-Point Service

| | | |
|---|---|---|
| 1) | Monthly delivery | $0.0790/kW of Reserved Capacity per month |
| 2) | Weekly delivery | $0.0182/kW of Reserved Capacity per week |
| 3) | Daily delivery | $0.0030/kW of Reserved Capacity per day |
| 4) | Hourly delivery | $0.0002/kW of Reserved Capacity per hour |

Network Integration Service

| | | |
|---|---|---|
| 5) | Monthly delivery | $0.0836/kW of monthly network load per month |

## SCHEDULE 2

### Reactive Supply and Voltage Control from Generation or Other Sources Service

In order to maintain transmission voltages on Colorado Springs Utilities' transmission facilities within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the Control Area operator are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation or Other Sources Service must be provided for each transaction on Colorado Springs Utilities' transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by Colorado Springs Utilities.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided directly by Colorado Springs Utilities (if Colorado Springs Utilities is the Control Area operator) or indirectly by Colorado Springs Utilities making arrangements with the Control Area operator that performs this service for Colorado Springs Utilities' Transmission System. The Transmission Customer must purchase this service from Colorado Springs Utilities or the Control Area operator. The charges for such service will be based on the rates set forth below. To the extent the Control Area operator

performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by the Control Area operator.

The charges for Reactive Supply and Voltage Control are:

Point-to-Point Service

| | | |
|---|---|---|
| 1) | Monthly delivery | $0.0129/kW of Reserved Capacity per month |
| 2) | Weekly delivery | $0.0030/kW of Reserved Capacity per week |
| 3) | Daily delivery | $0.0005/kW of Reserved Capacity per day |
| 4) | Hourly delivery | $0.00003/kW of Reserved Capacity per hour |

Network Integration Service

| | | |
|---|---|---|
| 5) | Monthly delivery | $0.0137/kW of monthly network load per month |

The total charge in any day, pursuant to a reservation for Hourly Point-to-Point delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Daily Point-To-Point delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

## SCHEDULE 3

### Regulation and Frequency Response Service

Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation whose output is raised or lowered (predominantly through the use of automatic generating control equipment) and by other non-generation resources capable of providing this service as necessary to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with Colorado Springs Utilities (or the Control Area operator that performs this function for Colorado Springs Utilities). Colorado Springs Utilities must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Colorado Springs Utilities or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation. The Transmission Provider will take into account the speed and accuracy of regulation resources in its determination of Regulation and Frequency Response reserve requirements, including as it reviews whether a self-supplying Transmission Customer has made alternative comparable arrangements. Upon request by the self-supplying Transmission Customer, the

Transmission Provider will share with the Transmission Customer its reasoning and any related data used to make the determination of whether the Transmission Customer has made alternative comparable arrangements.

The amount of and charges for Regulation and Frequency Response Service are set forth below. To the extent the Control Area operator performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by that Control Area operator.

If transmission service is used to serve generation or load within Colorado Springs Utilities Control Area, the transmission customer shall purchase Regulation and Frequency Response Service in the following amounts:

The charges for Regulation and Frequency Response are:

Point-to-Point Service

| | | |
|---|---|---|
| 1) | Monthly delivery | $0.0786/kW of Reserved Capacity per month |
| 2) | Weekly delivery | $0.0181/kW of Reserved Capacity per week |
| 3) | Daily delivery | $0.0030/kW of Reserved Capacity per day |
| 4) | Hourly delivery | $0.0002/kW of Reserved Capacity per hour |

Network Integration Service

| | | |
|---|---|---|
| 5) | Monthly delivery | $0.0831/kW of monthly network load per month |

The total demand charge in any day, pursuant to a reservation for Hourly Point-To-Point delivery, shall not exceed the rates specified in section (3) above times the highest amount in kilowatts of Regulation and Frequency Response demand in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation

for Daily Point-To-Point delivery shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Regulation and Frequency Response demand in any day during such week.

## SCHEDULE 4

## Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour or, as applicable, dispatch interval. Colorado Springs Utilities must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must purchase this service from the WEIS Market Operator, from the Control Area operator, from Colorado Springs Utilities, or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. To the extent the WEIS Market Operator or the Control Area operator performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by the WEIS Market Operator or that Control Area operator. Colorado Springs Utilities may charge a Transmission Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generation imbalances under Schedule 9 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.

Colorado Springs Utilities shall establish charges for energy imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be

netted on a monthly basis and settled financially, at the end of the month, at 100 percent of incremental or decremental cost; (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of incremental cost or 75 percent of decremental cost.

For purposes of this Schedule, incremental cost and decremental cost represent Colorado Springs Utilities' actual average hourly cost of the last 10 MW dispatched for any purpose, e.g., to supply Colorado Springs Utilities' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes, as applicable.

Pursuant to Section 3 of this Tariff, Energy Imbalance Service associated with service provided over the WEIS Transmission Provider's Facilities will be subject to settlement in the WEIS Market, as described in Attachment M.

## SCHEDULE 5

## Operating Reserve - Spinning Reserve Service

Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output and by non-generation resources capable of providing this service. Colorado Springs Utilities must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Colorado Springs Utilities or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. The amount of and charges for Spinning Reserve Service are set forth below. To the extent the Control Area operator performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by that Control Area operator. The charges for Spinning Reserve Service are:

Point-to-Point Service

| | | |
|---|---|---|
| 1) | Monthly delivery | $4.25/kW of Reserved Capacity per month |
| 2) | Weekly delivery | $0.98/kW of Reserved Capacity per week |
| 3) | Daily delivery | $0.16/kW of Reserved Capacity per day |
| 4) | Hourly delivery | $0.0102/kW of Reserved Capacity per hour |

## SCHEDULE 6

### Operating Reserve - Supplemental Reserve Service

Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation or by interruptible load or other non-generation resources capable of providing this service. Colorado Springs Utilities must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Colorado Springs Utilities or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of and charges for Supplemental Reserve Service are set forth below. To the extent the Control Area operator performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by that Control Area operator.

The charges for Supplemental Reserve Service are:

Point-to-Point Service

| | | |
|---|---|---|
| 1) | Monthly delivery | $4.25/kW of Reserved Capacity per month |
| 2) | Weekly delivery | $0.98/kW of Reserved Capacity per week |
| 3) | Daily delivery | $0.16/kW of Reserved Capacity per day |
| 4) | Hourly delivery | $0.0102/kW of Reserved Capacity per hour |

If transmission service is used to serve generation or load within Colorado Springs Utilities' Control Area, the transmission customer shall purchase reserve service equaling 14% of its point-to-point reserved capacity or network load. At a minimum, 50% of reserve service must be Spinning Reserve.

## SCHEDULE 7

### Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Colorado Springs Utilities each month for Reserved Capacity at the sum of the applicable charges set forth below:

1) **Yearly delivery**: one-twelfth of the demand charge of $35.03/kW of Reserved Capacity per year.

2) **Monthly delivery**: $2.92/kW of Reserved Capacity per month.
3) **Weekly delivery**: $0.67/kW of Reserved Capacity per week.
4) **Daily delivery**: $0.14/kW of Reserved Capacity per day.
5) **Hourly delivery:** $0.008/kW of Reserved Capacity per hour.

   The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

6) **Discounts**: Three principal requirements apply to discounts for transmission service as follows: (1) any offer of a discount made by Colorado Springs Utilities must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Colorado Springs Utilities must offer the same discounted transmission service rate for the same time period to all Eligible

Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

7) **Excess Firm Reserved Capacity**: In the event that the Transmission Customer exceeds its firm reserved capacity at any point of receipt and/or point of delivery, the Transmission Customer shall pay 150% of the Schedule 7 charge for the delivery period (i.e. yearly, monthly, weekly, or daily) for which the Transmission Customer is reserving capacity for the maximum amount that the Transmission Customer exceeds its firm reserve capacity at any point of receipt and/or point of delivery.

8) **Resales**: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

## SCHEDULE 8

## Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Colorado Springs Utilities for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

1) **Monthly delivery**: $2.92/kW of Reserved Capacity per month.
2) **Weekly delivery**: $0.67/kW of Reserved Capacity per week.
3) **Daily delivery**: $0.14/kW of Reserved Capacity per day.

   The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

4) **Hourly delivery**: The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed $8/MW of reserved capacity per hour. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.

5) **Discounts**: Three principal requirements apply to discounts for transmission service as follows: (1) any offer of a discount made by Colorado Springs Utilities must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Colorado Springs Utilities must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

6) **Excess Non-Firm Reserved Capacity**: In the event that the non-firm transmission service provided to the Transmission Customer for secondary receipt and delivery points exceeds the capacity reservation under which such services are provided the Transmission Customer shall pay 150% of the applicable Schedule 8 transmission charges for the maximum amount that the Transmission Customer exceeds its capacity reservation.

7) **Resales**: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

## SCHEDULE 8A

## WEIS Joint Dispatch Transmission Service

The Transmission Customer shall compensate Colorado Springs Utilities for WEIS Joint Dispatch Transmission Service up to the sum of the applicable charges set forth below:

**1) Hourly delivery:**

a. On-Peak Hours: the on-peak rate $0.00/MWh.

b. Off-Peak Hours: the off-peak rate $0.00/MWh.

## SCHEDULE 9

## Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator located in Colorado Springs Utilities' Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within Colorado Springs Utilities' Control Area over a single hour or, as applicable, dispatch interval. Colorado Springs Utilities must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must purchase this service from the WEIS Market Operator, from the Control Area operator, from Colorado Springs Utilities, or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. To the extent the WEIS Market Operator or the Control Area operator performs this service for Colorado Springs Utilities, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Colorado Springs Utilities by the WEIS Market Operator or that Control Area operator. Colorado Springs Utilities may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.

Colorado Springs Utilities shall establish charges for generator imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of each month, at 100 percent of incremental or decremental cost, (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled at 125 percent of incremental cost or 75 percent of decremental cost, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by Colorado Springs Utilities, a balancing authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental and decremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

For purposes of this Schedule, incremental cost and decremental cost represent Colorado Springs Utilities' actual average hourly cost of the last 10 MW dispatched for any purpose, e.g., to supply Colorado Springs Utilities' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes, as applicable.

Pursuant to Section 3 of this Tariff, Energy Imbalance Service associated with service provided over the WEIS Transmission Provider's Facilities will be subject to settlement in the WEIS Market, as described in Attachment M.

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## ATTACHMENT A

### Form Of Service Agreement For Firm Point-To-Point Transmission Service

This Service Agreement, dated as of _____, is entered into, by and between _____ (Colorado Springs Utilities), and _____ ("Transmission Customer").

The Transmission Customer has been determined by Colorado Springs Utilities to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.

The Transmission Customer has provided to Colorado Springs Utilities an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.

Service under this agreement shall commence on the later of (l) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Colorado Springs' Regulatory Authority. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.

1.0 Colorado Springs Utilities agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

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

Colorado Springs Utilities:

_____

_____

_____

Transmission Customer:

_____

_____

_____

3.0 The Tariff is incorporated herein and made a part hereof.

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

Colorado Springs Utilities:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

Specifications For Long-Term Firm Point-To-Point
Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

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

_____

3.0 Point(s) of Receipt: _____

Delivering Party: _____

Point(s) of Delivery: _____

Receiving Party: _____

Maximum amount of capacity and energy to be transmitted (Reserved Capacity):_____

Designation of party(ies) subject to reciprocal service obligation:

_____
_____
_____
_____

4.0 Name(s) of any Intervening Systems providing transmission service:_____
_____
_____

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

5.1 Transmission Charge:_____
_____

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

_____
_____

5.3 Direct Assignment Facilities Charge:_____
_____

5.4 Ancillary Services Charges: _____
_____
_____
_____
_____
_____
_____

## ATTACHMENT A-1

## Form Of Service Agreement For The Resale, Reassignment Or Transfer Of Point-To-Point Transmission Service

1.0 This Service Agreement, dated as of _____, is entered into, by and between Colorado Springs Utilities, and _____ (the Assignee).

2.0 The Assignee has been determined by Colorado Springs Utilities to be an Eligible Customer under the Tariff pursuant to which the transmission service rights to be transferred were originally obtained.

3.0 The terms and conditions for the transaction entered into under this Service Agreement shall be subject to the terms and conditions of Part II of Colorado Springs Utilities' Open Access Transmission Tariff, except for those terms and conditions negotiated by the Reseller of the reassigned transmission capacity (pursuant to Section 23.1 of that Tariff) and the Assignee to include: contract effective and termination dates, the amount of reassigned capacity or energy, point(s) of receipt and delivery. Changes by the Assignee to the Reseller's Points of Receipt and Points of Delivery will be subject to the provisions of Section 23.2 of this Tariff.

4.0 Colorado Springs Utilities shall credit the Reseller for the price reflected in the Assignee's Service Agreement or the associated OASIS schedule.

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

Colorado Springs Utilities:

_____

_____

_____

Assignee:

_____

_____

_____

6.0 Colorado Springs Utilities' Open Access Transmission Tariff is incorporated herein and made a part hereof.

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

Colorado Springs Utilities:

By: _____ _____ _____
Name Title Date

Assignee:

By:_____ _____ _____
Name Title Date

Specifications For The Resale, Reassignment Or Transfer of Long-Term Firm Point-To-Point Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

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

_____

3.0 Point(s) of Receipt:_____

Delivering Party:_____

4.0 Point(s) of Delivery:_____

Receiving Party:_____

5.0 Maximum amount of reassigned capacity: _____

6.0 Designation of party(ies) subject to reciprocal service obligation:_____
_____
_____
_____
_____

7.0 Name(s) of any Intervening Systems providing transmission service:
_____

_____

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

8.1 Transmission Charge: _____
_____

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

8.3 Direct Assignment Facilities Charge: _____
_____

8.4 Ancillary Services Charges: _____
_____
_____
_____
_____
_____
_____

9.0 Name of Reseller of the reassigned transmission capacity:
_____

## ATTACHMENT B

### Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service

1.0 This Service Agreement, dated as of _____, is entered into, by and between Colorado Springs Utilities, and _____ (Transmission Customer).

2.0 The Transmission Customer has been determined by Colorado Springs Utilities to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.

3.0 Service under this Agreement shall be provided by Colorado Springs Utilities upon request by an authorized representative of the Transmission Customer.

4.0 The Transmission Customer agrees to supply information Colorado Springs Utilities deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

5.0 Colorado Springs Utilities agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

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

Colorado Springs Utilities:

_____

_____

_____

Transmission Customer:

_____

_____

_____

7.0 The Tariff is incorporated herein and made a part hereof.

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

Colorado Springs Utilities:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

# ATTACHMENT C

## Methodology To Assess Available Transfer Capability

In determining the level of Available Transfer Capability (ATC) for new Transmission Service requests, the Transmission Provider may exclude from capacity to be made available for new Transmission Service requests that capacity needed to meet current and reasonably forecasted load of Native Load Customers and Network Customers and to meet existing contractual obligations, to include but not be limited to reserves, regulating margin, and pre-existing agreements, that are expected before the requested Transmission Service will begin. The intent is to be in conformance with the North American Electric Reliability Council's Reliability Standards and a detailed description of Colorado Springs Utilities' ATC methodology is available on Colorado Springs Utilities' OASIS site.

# ATTACHMENT D

## Methodology for Completing a System Impact Study

Transmission Provider will assess the capability of the Transmission system to provide the service requested using the criteria and process for this assessment as detailed in Transmission Provider's annual FERC Form 715 submittal. In determining the level of capacity available for new Transmission Service requests, the Transmission Provider may exclude, from capacity to be made available for new Transmission Service requests, that capacity needed to meet current and reasonably forecasted load of Native Load Customers and Network Loads, and to meet existing contractual obligations that are expected before the requested Transmission Service will begin.

# ATTACHMENT E

## Index Of Point-To-Point Transmission Service Customers

| Customer | Date of Service Agreement |
|---|---|

# ATTACHMENT F

## Service Agreement For Network Integration Transmission Service

Service Agreement For
Network Integration Transmission Service

1.0 This Service Agreement, dated as of _____, is entered into, by and between Colorado Springs Utilities and _____ (the Network Customer).

2.0 The Network Customer has been determined by Colorado Springs Utilities to be an Eligible Network Customer under Part I of the Tariff, and to have a Completed Application for Network Integration Transmission Service under the Tariff.

3.0 The Network Customer has provided to Colorado Springs Utilities an Application deposit in accordance with the provisions of Section 29.2 of the Tariff.

4.0 The Network Customer and Colorado Springs Utilities have completed all necessary technical arrangements in accordance with the provisions of Sections 29.3 and 29.4 of the Tariff.

5.0 The Network Customer has executed a Network Operating Agreement with Colorado Springs Utilities in accordance with Section 35.2 of the Tariff.

6.0 Service under this agreement shall commence on the later of:
(1) _____
(2) the date on which construction of any Direct Assignment Facilities, Network Upgrades, and/or Local Distribution Facilities are completed, or
(3) such date as it is permitted to become effective by the Colorado Springs' Regulatory Authority.
Service under this agreement shall terminate on _____.

7.0 Colorado Springs Utilities agrees to provide and the Network Customer agrees to take and pay for Network Integration Transmission Service in accordance with the provisions of Part III of the Tariff, as it may be amended from time to time, and this Service Agreement.

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

Colorado Springs Utilities:

_____

_____

_____

Network Customer:

_____

_____

_____

9.0 Colorado Springs Utilities' Open Access Transmission Tariff, as it may be amended from time to time, is incorporated herein and made a part hereof.

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

Colorado Springs Utilities:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

Specifications for Network Integration

Transmission Service _____.

1.0 Term of Transaction:
Start Date:

2.0 Termination Date:
Description of capacity and energy to be transmitted by Colorado Springs Utilities

.including the electric Control Area in which the transaction originates:

_____.

3.0 Network Resources:

Total Network Resources:

4.0 Network Loads:

Total Network Loads:

5.0 Designation of party(ies) subject to reciprocal service obligation:

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

6.1 Load Ratio Share of Annual Transmission Revenue Requirement:

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

6.3 Direct Assignment Facilities Charge:

6.4 Local Distribution Facilities Charge:

6.5 Ancillary Services Charges:

# ATTACHMENT G

## Network Operating Agreement

Network Operating Agreement

[Note: It may be necessary to include additional provisions or revise the provisions of this Network Operating Agreement to take into account the particular circumstances of a Network Customer. Colorado Springs Utilities therefore reserves the right to modify this form of Network Operating Agreement for individual transmission Customers.

Colorado Springs Utilities does not operate a control area; it is in the Western Area Power Administration's (WAPA) control area. Therefore, a Network Customer taking Network Integration Service under this Tariff will need to enter into a network operating agreement, or other suitable arrangement with WAPA. If requested by a Network Customer, Colorado Springs Utilities will commit to help arrange such an agreement with WAPA.]

This Network Operating Agreement, dated as of _____, is made and entered by and between Colorado Springs Utilities and _____ (the Network Customer).

WHEREAS Colorado Springs Utilities is a utility operating company providing electric service in the state(s) of Colorado and

WHEREAS, The Network Customer has been determined by Colorado Springs Utilities to be an Eligible Network Customer under Part I of the Tariff; and to have a Completed Application for Network Integration Transmission Service under Part III of the Tariff; and

WHEREAS, The Network Customer has provided to Colorado Springs Utilities an Application deposit in accordance with the provisions of Section 29.2 of the Tariff; and

WHEREAS, The Network Customer and Colorado Springs Utilities have completed all necessary technical arrangements in accordance with the provisions of Section 29.3 and 29.4 of the Tariff; and

WHEREAS, The terms and conditions under which the Network Customer shall operate its facilities, and the technical and operational matters associated with implementation of Part III of the Tariff are to be specified in this Network Operating Agreement in accordance with Section 35.2 of the Tariff:

NOW THEREFORE, In consideration of the mutual agreements set forth below, the Network Customer and Colorado Springs Utilities agree as follows:

1.0 Purpose of Agreement and General Requirements

By this agreement, Colorado Springs Utilities and Network Customer agree that the provisions of this Network Operating Agreement ("NOA") and the Network Integration Transmission Service Agreement (“Service Agreement") govern Colorado Springs Utilities’ provision of Network Integration Transmission Service to the Network Customer in accordance with the Open Access Transmission Tariff ("Tariff"), as it may be amended from time to time. This NOA requires the Parties to:

(i) operate and maintain equipment necessary for incorporating the Network Customer within Colorado Springs Utilities' Transmission System including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment

(ii) transfer data including, but not limited to, heat rates, fuel costs, and operational characteristics of Network Resources, generation schedules for Network Resources, interchange schedules, unit outputs for redispatch required under Section 33 of the Tariff, voltage schedules, loss factors and other real time data, between their respective control centers;

(iii) use software programs required for data links and constraint dispatching;

(iv) exchange data on forecasted loads and resources necessary for planning and operation; and,

(v) address any other technical and operational considerations required for implementation of the Tariff, including scheduling protocols.

The Network Customer shall:

(i) operate as a Control Area under applicable guidelines of the North American Electric Reliability Council ("NERC") and the applicable regional reliability council, or

(ii) satisfy its control area requirements, including the provision of all Ancillary Services, by contracting with Colorado Springs Utilities; or

(iii) satisfy its Control Area requirements, including all Ancillary Services and/or Interconnected Operations Services ("IOS"), by providing them itself or by contracting with another entity that can satisfy those requirements in a manner that is consistent with Good Utility Practice and satisfies the standards of NERC and the regional reliability council. The Network Customer shall plan, construct, operate and maintain its facilities and Transmission System in accordance with Good Utility Practice, which shall include, but not be limited to, all applicable

guidelines of NERC and the regional reliability council, as they may be modified from time to time and any generally accepted practices in the region that are consistently adhered to by Colorado Springs Utilities.

Unless specified herein, capitalized terms shall refer to terms defined in the Tariff. When the terms Load Responsibility, Regulating Margin, Most Severe Single Contingency ("MSSC"), First Contingency, Spinning Reserves, Supplemental Reserves and Operating Reserves are used in this NOA, the regional reliability council definitions of those terms apply.

The Network Customer acknowledges that Colorado Springs Utilities may revise this NOA as necessary to incorporate changes to Colorado Springs Utilities' Control Area requirements and the Network Customer shall conform and operate according to the revised NOA.

2.0 Network Operating Committee

(a) Membership - The Network Operating Committee shall be composed of representatives from the Network Customers taking service under the Tariff and Colorado Springs Utilities.

(b) Responsibilities - The Network Operating Committee shall: (1) adopt rules and procedures consistent with this NOA and the Tariff governing operating and technical requirements necessary for implementing the Tariff; (2) review Network Resources and Network Loads on an annual basis in order to assess the adequacy of the Transmission System; and (3) obtain from Colorado Springs Utilities Colorado Springs Utilities' operating policies, procedures, and guidelines for network interconnection and operation, (4) adopt standards for provision of Ancillary Services and/or IOS, and develop non-compliance procedures and penalties.

(c) Authority - The Network Operating Committee will not have any authority to modify or bypass Colorado Springs Utilities' Open Access Transmission Tariff or the Service Agreements under such Tariff. The Network Operating Committee, through their actions, will ensure that the reliability criteria of NERC and the regional reliability council are met.

3.0 Regulation and Frequency Response

The Network Customer shall meet its proportional share of Regulating Margin by either: (a) purchasing Regulation and Frequency Response Service from Colorado Springs Utilities pursuant to Schedule 3 of the Tariff; or (b) contributing or arranging to have a third party contribute generating resources to meet the Regulating Margin requirement for the current year as follows:

$$NCRMR = \frac{CARM \times NC\ maximum\ demand}{CA\ maximum\ demand}$$

CA: Control Area
CARM: Control Area Regulating Margin
NC: Network Customer
NCRMR: Network Customer Regulating Margin Requirement

Should the Network Customer's load include major loads not conforming to the general pattern of the control area's load, i.e., arc furnace load, additional Regulating Margin may be required to be provided by the Network Customer.

A Network Customer that meets it proportional share of Regulating Margin by Alternative (b) above shall also meet the requirements of Section 5.0 below.

4.0 Operating Reserve

The Network Customer shall meet its proportional share of Operating Reserve by either: (1) purchasing Operating Reserve Services from Colorado Springs Utilities pursuant to Schedules 5 and 6 of the Tariff; or (2) meeting or arranging to have a third party met the Operating Reserve requirement. A Network Customer that meets its proportional share of Operating Reserve by alternative (2) above shall also meet the requirements of Section 5.0 below. The Operating Reserve requirement is as specified by the regional reliability council as implemented by Colorado Springs Utilities. In as much as Colorado Springs Utilities is obligated to meet these requirements, as they may be modified from time to time, the Network Customer recognizes and agrees that its proportional share of the Operating Reserve requirement may change to reflect such modification.

In order to facilitate the use of Operating Reserve, the Network Customer shall have available unloaded reserve firm transmission capacity at least equal to that Operating Reserve amount. Such transmission may be loaded with interruptible energy so that, upon interruption of the energy, transmission service is available to replace such energy from the Operating Reserve.

5.0 Requirements to Contribute to System Regulation and Operating Reserve

The Network Customer shall operate its generating resources in a manner similar to that of Colorado Springs Utilities including following voltage schedules, providing free governor response, meeting power factor requirements at the point of interconnection with Colorado Springs Utilities' system, and such other criteria as may be developed by Colorado Springs Utilities, the Network Operating Committee, or required by the NERC and the regional reliability council. The Network Customer shall pay the cost of modification of Colorado Springs Utilities' computer hardware and software to accommodate the Network Customer's contribution to Regulating Margin and Operating Reserve. Any resources used by the Network Customer to meet its proportional share, whether the Network Customer's Network Resources or a third party's generating resources, shall meet the same requirements as Colorado Springs Utilities' generating resources used to meet the Regulating Margin and Operating Reserve requirements, including, but not limited to, automatic generation control capability, ramp rate, and governor response, and are subject to random testing, and if applicable, a monthly start-up test.

## 6.0 Redispatch to Manage Transmission System Constraints

If Colorado Springs Utilities determines that redispatching Network Resources, including reductions in off-system purchases, to relieve an existing or potential transmission system constraint is the most effective way to ensure the reliable operation of the Transmission System, Colorado Springs Utilities will redispatch Colorado Springs Utilities' and the Network Customer's Network Resources on a least cost basis, without regard to the ownership of such resources. Colorado Springs Utilities will apprise the Network Customer of its redispatch practices and procedures as they may be modified from time to time.

The Network Customer will submit verifiable incremental and decremental cost data for its Network Resources that estimates the cost to the Network Customer of changing the generation output of each of its Network Resources to Colorado Springs Utilities when submitting its preschedules. These costs will be used, along with similar data for Colorado Springs Utilities’ resources, as the basis for least cost redispatch for the next day's operations, or the next several days' operations if the preschedule is submitted on a Friday or the day before a holiday. Colorado Springs Utilities’ grid operation staff will keep this data confidential, including from Colorado Springs Utilities’ marketing staff. If the Network Customer experiences changes to its costs during the following day, the Network Customer must submit those changes to Colorado Springs Utilities' energy control center. Colorado Springs Utilities will implement least-cost redispatch consistent with its existing contractual obligations and its current practices and procedures for its own resources. The Network Customer is obligated to respond immediately to requests for redispatch from Colorado Springs Utilities’ energy control center.

The Network Customer may audit particular redispatch events, at its own expense, during normal business hours following reasonable notice to Colorado Springs Utilities. Either the Network Customer or Colorado Springs Utilities may request an audit of the other party's cost data by an independent agent at the requester's expense.

Once redispatch has been implemented, Colorado Springs Utilities will book in a separate account costs incurred by both Colorado Springs Utilities and the Network Customer based on the submitted incremental and decremental costs. Colorado Springs Utilities and the Network Customer will each bear a proportional share of the total redispatch cost based on their then-current Load Ratio Shares. Colorado Springs Utilities will bill or credit the Network Customer's monthly bill as appropriate.

7.0 Maintenance of Facilities

(a) The Network Operating Committee shall establish procedures to coordinate the maintenance schedules of the generating resources and transmission and substation facilities, to the greatest extent practicable, to ensure sufficient transmission resources are available to maintain system reliability and reliability of service. By November 1 of each year, the Network Customer shall provide to Colorado Springs Utilities the maintenance schedules and planned outages of each Network Resource for the next five years. Thirty (30) days in advance of each annually forecasted maintenance outage, the Network Customer shall provide Colorado Springs Utilities confirmation of such outage. Such information shall include, but not be limited to, the expected time the unit will be separated from the system and the time at which the unit is available for (1) parallel operation, (2) loading, and (3) if applicable, to be put on automatic generation control.

(b) The Network Customer shall obtain: (1) concurrence from Colorado Springs Utilities at least 72 hours before beginning any scheduled maintenance of its facilities; and (2) clearance from Colorado Springs Utilities when the Network Customer is ready to begin maintenance on a Network Resource, transmission line, or substation operated at 44 kV and above. The Network Customer shall immediately notify Colorado Springs Utilities at the time when any unscheduled or forced outages occur and again when such unscheduled or forced outages end. The Network Customer shall notify and coordinate with Colorado Springs Utilities prior to reparalleling the Network Resource, transmission line, or substation.

(c) Maintenance schedules will be posted on an electronic bulletin board or communicated via the data link.

8.0 Load Shedding

(a) The Parties shall implement load shedding programs to maintain the reliability and integrity of the Control Area, as provided in Section 33.6 of the Tariff. Load shedding shall include: (1) automatic load shedding: (2) manual load shedding; or (3) rotating interruption of customer load. Colorado Springs Utilities will order load shedding to maintain the relative sizes of load served, unless otherwise required by circumstances beyond the control of Colorado Springs Utilities or the Network Customer. Automatic load shedding devices will operate without notice. When manual load shedding or rotating interruptions are necessary, Colorado Springs Utilities shall notify the Network

Customer's dispatchers or schedulers of the required action and the Network Customer shall comply immediately.

(b) The Network Customer shall, at its own expense, provide, operate, and maintain in service underfrequency load-shedding equipment. The Network Customer's equipment shall be: (1) compatible and coordinated with Colorado Springs Utilities' load shedding equipment; and (2) set for the amount of load to be shed with frequency trips and tripping times as coordinated in the regional reliability council. In the event that Transmission Provider modifies the load-shedding system, the Network Customer shall, at its own expense, make changes to the equipment and setting of such equipment, as required. The Network Customer shall test and inspect the load-shedding equipment within ninety (90) days of taking Network Integration Transmission Service under the Tariff and at least once each year thereafter, and provide a written report to Colorado Springs Utilities. Colorado Springs Utilities may request a test of the load-shedding equipment with reasonable notice.

9.0 Recognition of Flow of Power and Energy

(a) The Parties recognize that: (1) Colorado Springs Utilities' Transmission System is, and will be, directly or indirectly interconnected with transmission systems owned or operated by others; (2) the flow of power and energy between such systems will be controlled by the physical and electrical characteristics of the facilities involved and the manner in which they are operated; and (3) part of the power and energy being delivered under this NOA may flow through such other systems rather than through the facilities of Colorado Springs Utilities. The Network Operating Committee shall, from time to time as necessary, determine methods and take reasonably appropriate action to assure maximum delivery of power and energy at the points of receipt and delivery and at such additional or alternate points of receipt and delivery as may be established by the Parties.

(b) Each Party will at all times cooperate with other interconnected systems in establishing arrangements or mitigation measures to minimize operational impacts on each other's systems.

(c) Each Party recognizes that a Party's proposed new interconnection or modification of an existing interconnection between that Party's system and the system of a third party, may cause adverse anticipated effects on the system of the other Party. The Party making such interconnection or modification shall minimize, or otherwise compensate for, adverse operational effects to the Party's system.

10.0 Service Conditions

The Parties recognize that operating and technical problems may arise in the control of the frequency and in the flow of real and reactive power over the interconnected transmission systems. The Network Operating Committee may adopt operating rules and procedures as necessary to assure that, as completely as practical, the delivery and receipt of real and reactive power and energy hereunder shall be accomplished in a manner that causes the least interference with such interconnected systems.

A Network Customer interconnecting with Colorado Springs Utilities' Transmission System is obligated to follow the same practices and procedures for interconnection and operation that Colorado Springs Utilities uses for its own load and resources. Where the Network Customer purchases Ancillary Services and/or IOS from third parties, the Network Customer shall have the responsibility to secure contractual arrangements with such third parties that are consistent with the Tariff, this Network Operating Agreement, and any applicable rules and procedures of the Network Operating Committee.

11.0 Data, Information and Reports

(a) The Network Customer shall, upon request, provide Colorado Springs Utilities with such reports and information concerning its network operation as are reasonably necessary to enable Colorado Springs Utilities to operate its Transmission System adequately.

(b) Scheduling: Hourly transactions from outside of Colorado Springs Utilities' Control Area, in whole megawatts, are prescheduled. Hourly transactions and forecasts of generation and load from within Colorado Springs Utilities' Control Area, in megawatts, are prescheduled. Schedules can be changed consistent with the practices in the regional reliability councils.

The Network Customer shall notify Colorado Springs Utilities of intended imports into the Control Area for the next normal business day(s) by voice no later than 10:00 a.m. No later than 2:00 p.m. of each normal business day, the Network Customer shall finalize import preschedules by voice and transmit all the preschedules and forecasts in a format and using a method specified by Colorado Springs Utilities. The Network Customer shall update the preschedules and forecasts before midnight. Such preschedules and forecasts shall include, as applicable:

(i) each import into or export out of the Control Area;

(ii) each power purchase and sale from within the Control Area;

(iii) losses;

(iv) generation from each Network Resource;

(v) Network Load at each point designated in Section 4.0 of the Specifications for Network Integration Transmission Service attached to the Service Agreement;

(vi) Regulating Margin;

(vii) Spinning and Supplemental Reserve from each Network Resource;

(viii) Spinning and Supplemental Reserve purchased from Colorado Springs Utilities or each third party;

(ix) the Network Customer's MSSC;

(x) available capacity from each Network Resource;

(xi) transmission service associated with each preschedule and forecast;

(xii) incremental and decremental cost data for Network Resources; and

(xiii) other information, as required by Colorado Springs Utilities.

(c) Annual Forecast: By January 10 of each year, the Network Customer shall update its load and resource forecast pursuant to Section 29.2 and 31.6 of the Tariff by providing Colorado Springs Utilities with a non-binding typical weekday and typical weekend forecast in a format specified by Colorado Springs Utilities.

(d) Monthly Forecast; Five (5) days before the end of the month, the Network Customer shall update the forecast for the following month specifying purchases, generation, maximum demand, total monthly energy, and Operating Reserve Service from Colorado Springs Utilities or third party.

(e) The Network Customer shall telemeter to Colorado Springs Utilities information including but not limited to watts, vars, generator status, generator breaker status, generator terminal voltage and high side transformer voltage, unless otherwise agreed.

(f) The Network Customer shall provide generating resource characteristics to Colorado Springs Utilities as necessary to implement redispatch, and constraint and reserve management.

12.0 Metering

(a) The Network Customer shall have the obligation to install and maintain revenue meters and communication equipment compatible with Colorado Springs Utilities' meter reading system. Revenue quality meters shall be installed at the point of interconnection between the Network Customer's facility and Colorado Springs Utilities' system. The meters shall measure and record both real power (watts) and reactive power (vars) flow in both directions. Meters installed at a point other than the point of delivery shall be adjusted for the appropriate line and/or transformer losses.

(b) Colorado Springs Utilities shall read or retrieve meter data on the first work day after the first work day after the end of each billing cycle or such other data as may be required to carry out the provision of the Tariff. Colorado Springs Utilities shall process the meter data and determine energy imbalances, accounting, and billing using such meter data.

(c) The meter owner shall test revenue meters for power deliveries made at 44 kV and above at least once a year and within ten (10) business days after a request by the other Party. The other Party will be afforded the opportunity to be present during the meter test. For meters owned by Colorado Springs Utilities, the Network Customer may request a meter test by calling Colorado Springs Utilities' Network Operating Committee representative and shall pay for the cost of the requested test if the meter has been tested within the previous twelve months. The Parties present at the meter test shall estimate the amount of capacity and energy transferred during the meter test. The meter owner shall immediately repair, adjust, or replace any meter or associated equipment found to be defective or inaccurate. An inaccurate meter is one that exceeds two percent (2%) plus or minus, of the calibrated standards.

(d) Colorado Springs Utilities shall adjust the recorded data to compensate for the effect of an inaccurate meter. Such adjustment shall be made for a maximum period of thirty (30) days prior to the date of the test or to the period during which such inaccuracy may be determined to have existed, whichever period is shorter. No adjustment prior to

the beginning of the next preceding month shall be made except by agreement of the Parties. Should any meter fail to register, Colorado Springs Utilities shall estimate, from the best information available, the demand created, energy flow, and var flows during the period of the failure. Colorado Springs Utilities shall, as soon as possible, correct the Network bills affected by the inaccurate meter. That correction, when made, shall constitute full adjustment of any claim arising out of the inaccurate meter for the period of the correction.

13.0 Communications

(a) The Network Customer shall, at its own expense, install and maintain communication links for scheduling. One communication link may be used for data transfer and the other link shall be used for voice communication.

(b) A Network Customer contributing to Regulating Margin and Operating Reserve requirements or securing the requirements from a third party shall, at its own expense, install and maintain telemetry equipment communicating between the generating resource(s) and Colorado Springs Utilities.

14.0 Notice

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

15.0 Term

The term if this NOA shall be concurrent with the term of the Network Customer's Service Agreement for Network Integration Transmission Service as it may be amended from time to time.

16.0 Entire Agreement

The Tariff and the Service Agreement as they are amended from time to time are incorporated herein and made a part hereof. To the extent that a conflict exists between the terms of this NOA and the terms of the Open Access Transmission Tariff, the tariff shall control.

17.0 Assignment

This NOA shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, but shall not be assigned by either Party without the written consent of the other, except to a successor to all or substantially all of the electric properties and assets of such Party.

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

Colorado Springs Utilities:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

# ATTACHMENT H

## Annual Transmission Revenue Requirement For Network Integration Transmission Service

1. The Annual Transmission Revenue Requirement for purposes of the Network Integration Transmission Service shall be $25,591,325.

2. The amount in (1) shall be effective until amended by Colorado Springs Utilities or modified by the Colorado Springs Utilities' Regulatory Authority.

# ATTACHMENT I

## Index Of Network Integration Transmission Service Customers

| Customer | Date of Service Agreement |
|---|---|

# ATTACHMENT J

## Procedures for Addressing Parallel Flows

In the event that a Curtailment on Colorado Springs Utilities' Transmission System, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. Colorado Springs Utilities may elect to implement such Curtailments according to the congestion management methods specified in the North American Electric Reliability Corporation (NERC) Reliability Standard IRO-006-WECC-2 (Qualified Transfer Path Unscheduled Flow Relief for the Western Electricity Coordinating Council (WECC)), filed by NERC on December 20, 2013 in FERC Docket No. RM09-19-000, and approved by FERC on May 13, 2014. Reliability Standard IRO-006-WECC-2 and any amendments thereto, are hereby incorporated by reference and made part of this Tariff.

# ATTACHMENT K

## Transmission Planning Process

The City of Colorado Springs, Colorado is a home-rule city and Colorado municipal corporation. The City owns and operates Colorado Springs Utilities (CSU), which is an enterprise of the City under the Colorado Constitution and the City Charter.

## I. OVERVIEW OF LOCAL AND REGIONAL PLANNING PROCESS

CSU participates in a coordinated, open and transparent planning process in its region in cooperation with its Native Load, its Network Transmission Customers, other interested stakeholders, and neighboring interconnected systems, consistent with requirements set forth in FERC Order Nos. 890 and 1000. This process results in a reliable, safe, economical, low cost electric infrastructure system that meets projected load growth responsibilities on a comparable and nondiscriminatory basis.

In addition to its local transmission planning process, CSU coordinates its transmission planning with other transmission providers and stakeholders in the area, and the Western Interconnection as a whole, through its active participation in the Colorado Coordinated Planning Group (CCPG) at the sub-regional level and, at the regional level, its membership in WestConnect. These processes include scheduled, open planning meetings at the sub-regional and regional levels.

The WestConnect planning process facilitates and coordinates regional transmission planning across the WestConnect footprint, consistent with the regional transmission planning and interregional transmission coordination principles and requirements established by FERC in Order Nos. 890 and 1000. This transmission planning process includes both reliability and economic analysis. CSU is a signatory to the WestConnect Planning Participation Agreement (PPA), and participates in the WestConnect bi-annual planning process as a member of the Planning Management Committee (PMC).

## II. PLANNING PRINCIPLES

This section describes CSU's implementation of the transmission planning principles established by FERC in Order Nos. 890 and 1000.

### (1) COORDINATION

The CSU planning process for its electric transmission system is coordinated on a local, sub-regional, regional and interconnection wide basis through CSU's interaction with the following entities:

- Colorado Springs Utilities Strategic Account Management Program
- Colorado Coordinated Planning Group (CCPG)
- WestConnect Planning Region
- Western Electricity Coordinating Council (WECC)
- WECC Transmission Expansion Planning Policy Committee (TEPPC)

In addition to its coordination efforts through the entities named above, CSU updates its NERC-mandated Planning Assessment annually. The Planning Assessment results are distributed to adjacent Planning Coordinators and Transmission Planners as required by Reliability Standard TPL-001-4.

CSU's planning process also includes periodic communications, as necessary, by Strategic Account Managers with military bases and with the City of Fountain (all network customers) to ensure their needs are incorporated.

Meetings of the CSU governing body, the Utilities Board, and its regulatory body, the City Council, are open to the public, and there is opportunity for public comment provided at each meeting as required by Colorado law.

As an enterprise of a home-rule city and Colorado municipal corporation, most CSU stakeholders are citizen-owners of the utility. Due to the small geographic size of the CSU transmission system and service territory, there is very limited interest in the CSU transmission planning process by stakeholders outside of the City limits.

CSU staff is also available to meet with interested stakeholders at any time.

### (2) OPENNESS

As an enterprise of a home-rule city and Colorado municipal corporation, all aspects of the CSU transmission planning process are open to the public.

### (3) TRANSPARENCY

Each annual CSU Planning Assessment results in a report that is distributed to adjacent Planning Coordinators and Transmission Planners. CSU will also distribute a copy of this report to any stakeholder on request. The Planning Assessment is also the basis

for the development of a ten-year budget. The budget process is conducted at public meetings of the CSU Utilities Board, and includes multiple opportunities for stakeholder input.

### (4) INFORMATION EXCHANGE

As indicated above, large customers of CSU are assigned a Strategic Account Manager who serves as a conduit for information exchange between planners and customers. All other stakeholders have the opportunity to obtain transmission planning-related information and to comment at regular meetings of the CSU Utilities Board.

### (5) COMPARABILITY

CSU takes steps to ensure that its interests and those of similarly situated customers are treated comparably in regional transmission planning. CSU satisfies this planning principle through the other planning principles described in this Attachment K, as well as through its participation in the CCPG sub-regional planning process and the WestConnect regional planning process.

### (6) DISPUTE RESOLUTION

Any dispute arising between a transmission customer or stakeholder and CSU involving this Attachment K shall be referred to a designated senior representative of CSU and a senior representative of the transmission customer or stakeholder for resolution on an informal basis as promptly as practicable. In the event the representatives designated to informally consult and resolve the dispute are unable to reach resolution within thirty (30) days (or such other period as the disputing parties may agree upon), such dispute will be addressed consistent with the dispute resolution procedures described in CSU's Open Access Transmission Tariff.

### (7) REGIONAL PARTICIPATION

CSU satisfies this planning principle through its membership and participation in the WestConnect Planning Region and its participation in the WestConnect transmission planning process, as described in the FERC-approved Open Access Transmission Tariffs of WestConnect's jurisdictional utility members, as may be periodically revised.

### (8) ECONOMIC PLANNING STUDIES

Given the localized and very limited size of the CSU transmission system, it is unlikely that CSU would receive a request for Economic Studies as referenced in FERC Order No. 890.

CSU participates in sub-regional, regional and interconnection-wide study efforts through WestConnect, TEPPC, and WECC, which address economic planning on a regional basis.

It is possible that CSU could determine with input from stakeholders at public meetings that an economic planning request is a local priority study for which remedies and benefits are strictly confined to the CSU system. In such cases, CSU may conduct a study internally, and coordinate assumptions and results with its customers, stakeholders and interconnected neighbors.

## (9) COST ALLOCATION FOR NEW PROJECTS

New, local projects proposed by stakeholders that hold substantial benefits for CSU customers will be included in CSU's system-wide rates. The cost of other local projects will be borne by their proponents.

As a member of WestConnect, CSU may have regional or interregional project costs allocated to it if corresponding project benefits to CSU are identified by WestConnect bi-annual studies. By terms of its membership in WestConnect as a Coordinating Transmission Owner (CTO), CSU may reject cost allocation at its discretion and choose not to participate in a project.

# ATTACHMENT L

## Creditworthiness Procedures

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

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# ATTACHMENT M

## WEIS Market Provisions

## 1 Definitions

Capitalized Terms not otherwise defined in this Attachment shall have the meaning ascribed to them in the WEIS Tariff, as such tariff may be amended from time to time.

## 2 Applicability

Attachment M to this Tariff shall apply solely to the WEIS Transmission Provider's Facilities. All loads and Resources on the WEIS Transmission Provider's Facilities shall be subject to settlement in the WEIS Market in accordance with Attachment A of the WEIS Tariff.

Participation in the WEIS Market shall begin on the later of the date on which the Commission approves an executed Western Joint Dispatch Agreement between the WEIS Market Operator and Colorado Springs Utilities or the WEIS Market goes live in production mode.

## 3 Tariff Provisions Modified by WEIS Market Participation

The following provisions in this Tariff are modified for Transmission Customers and Network Customers taking service over the WEIS Transmission Provider's Facilities when Colorado Springs Utilities is participating in the WEIS Market:

### 3.1 Network Resources:

**3.1.1** Notwithstanding the limitations in Sections 1.26 (Network Resource), 30.1 (Designation of Network Resources), 30.2

(Designation of New Network Resources), and 30.4 (Operation of Network Resources) of the Tariff, Network Customers may also utilize Network Resources for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions.

**3.1.2** Notwithstanding the provisions in Section 28.6 (Restrictions on Use of Service) of the Tariff, Network Customers may utilize WEIS Joint Dispatch Transmission Service for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions.

**3.2 Real Power Losses:**

Notwithstanding the provisions in Sections 15.7 (Real Power Losses) and 28.5 (Real Power Losses) of the Tariff, the requirements for replacing real power losses associated with the WEIS Joint Dispatch Transmission Service due to WEIS Market energy transactions are addressed under the WEIS Market settlements pursuant to the WEIS Tariff.

**3.3 Indemnification:**

Notwithstanding the provisions in Section 10.2 (Indemnification) of the Tariff, the standard of liability for the actions of the Transmission Provider performed consistent with this Attachment M shall be gross negligence or intentional wrongdoing.

## 4 Nature of WEIS Joint Dispatch Transmission Service

Notwithstanding any limitations in 14 (Nature of Non-Firm Point-To-Point Transmission Service), 15 (Service Availability), 16 (Transmission Customer Responsibilities), 18 (Procedures for Arranging Non-Firm Point-To-Point Transmission Service), 24 (Metering and Power Factor Correction at Receipt and Delivery Point(s)), and 25 (Compensation for Transmission Service) of the Tariff, Colorado Springs Utilities, as the WEIS Joint Dispatch Transmission Service Provider, shall provide WEIS Joint Dispatch Transmission Service on the WEIS Transmission Provider's Facilities to a WEIS Joint Dispatch Transmission Service Customer commensurate with, and to accommodate, the energy dispatched within the WEIS Market, as set forth in the WEIS Tariff, as follows:

### 4.1 Term:

WEIS Joint Dispatch Transmission Service shall be available on a real-time intra-hour basis.

### 4.2 Reservation Priority:

WEIS Joint Dispatch Transmission Service is non-firm and shall be available from transfer capability in excess of that needed for Transmission Customers taking Transmission Service and Network Customers taking Network Integration Transmission Service, respectively, under the Tariff.

**4.3 Restrictions on the use of WEIS Joint Dispatch Transmission Service:**

WEIS Joint Dispatch Transmission Service may be used on the Transmission System included in the WEIS Market Footprint only for receipt or delivery of Energy dispatched by the WEIS Market Operator within a Balancing Authority Area in the WEIS Market pursuant to the provisions of the WEIS Tariff. The WEIS Joint Dispatch Transmission Service Customer shall not use WEIS Joint Dispatch Transmission Service for (i) off-system sales of capacity or Energy not related to fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions or (ii) direct or indirect provision of transmission service by the WEIS Joint Dispatch Transmission Service Customer to any third party.

**4.4 Scheduling:**

WEIS Joint Dispatch Transmission Service Customers are not required to submit schedules for WEIS Joint Dispatch Transmission Service.

**4.5 Curtailment of WEIS Joint Dispatch Transmission Service:**

Colorado Springs Utilities reserves the right to curtail (or cause to be curtailed) without liability on Colorado Springs Utilities' part, in whole or in part, WEIS Joint Dispatch Transmission Service provided under this Attachment M for reliability reasons when an emergency or other unforeseen conditions threatens to impair or degrade the reliability of the Transmission System or the systems directly or indirectly interconnected with Colorado Springs Utilities' Transmission System.

### 4.6 Limited Joint Dispatch Transmission Service Provider Responsibilities:

Colorado Springs Utilities shall have no obligation to plan, construct, or maintain its Transmission System for the benefit of any WEIS Joint Dispatch Transmission Service Customer.

### 4.7 Procedures for Arranging WEIS Joint Dispatch Transmission Service:

WEIS Joint Dispatch Transmission Service does not need to be reserved by the WEIS Joint Dispatch Transmission Service Customer. No application or service agreement is required. An entity requesting WEIS Joint Dispatch Transmission Service shall provide any information reasonably requested, if any, by the WEIS Market Operator or Colorado Springs Utilities.

### 4.8 Compensation for WEIS Joint Dispatch Transmission Service:

Rates for WEIS Joint Dispatch Transmission Service are provided in Schedule 8A to the Tariff.

## 5 Other Provisions

### 5.1 Unreserved Use:

Any use of Colorado Springs Utilities' Transmission System not otherwise authorized pursuant to this Attachment M shall be subject to unreserved use penalties in excess of Reserved Capacity, as set out in Section 14.5 of this Tariff.

An unreserved use penalty will apply to the amount of actual metered generation in a Dispatch Interval, if any, which is in excess of the positive Operating Tolerance above a WEIS Market Resource's average Setpoint Instruction over such Dispatch Interval. Any ancillary service charges that are applicable to such unreserved use shall apply. For the amounts exceeding Reserved Capacity, the Transmission Customer also must purchase losses as required by this Tariff.

# Standard Large Generator

# Interconnection Procedures (LGIP)

# (Applicable to Generating Facilities that exceed 20 MW)

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## Section 1. Definitions

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

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

**Affected System Facilities Construction Agreement** shall mean the agreement contained in Appendix 11 to this LGIP that is made between Transmission Provider and Affected System Interconnection Customer to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on Transmission Provider's Transmission System.

**Affected System Interconnection Customer** shall mean any entity that submits an interconnection request for a generating facility to a transmission system other than Transmission Provider's Transmission System that may cause the need for Affected System Network Upgrades on Transmission Provider's Transmission System.

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

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

**Affected System Queue Position** shall mean the queue position of an Affected System Interconnection Customer in Transmission Provider's interconnection queue relative to Transmission Provider's Interconnection Customers' Queue Positions.

**Affected System Study** shall mean the evaluation of Affected System Interconnection Customers' proposed interconnection(s) to a transmission system other than Transmission Provider's Transmission System that have an impact on Transmission Provider's Transmission System, as described in Section 9 of this LGIP.

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

**Affected System Study Report** shall mean the report issued following completion of an Affected System Study pursuant to Section 9.7 of this LGIP.

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

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

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

**Applicable Reliability Standards** shall mean the requirements and guidelines of the Electric Reliability Organization and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

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

**Breach** shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.

**Breaching Party** shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

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

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

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

**Cluster Request Window** shall mean the time period set forth in Section 3.4.1 of this LGIP.

**Cluster Restudy** shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of this LGIP.

**Cluster Restudy Report** shall mean the report issued following completion of a Cluster Restudy pursuant to Section 7.5 of this LGIP.

**Cluster Restudy Report Meeting** shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Section 7.5 of this LGIP.

**Cluster Study** shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 7 of this LGIP.

**Cluster Study Agreement** shall mean the agreement contained in Appendix 2 to this LGIP for conducting the Cluster Study.

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

**Cluster Study Report** shall mean the report issued following completion of a Cluster Study pursuant to Section 7 of this LGIP.

**Cluster Study Report Meeting** shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 7 of this LGIP.

**Clustering** shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Section 7 of this LGIP.

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

**Commercial Operation Date** of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to Transmission Provider's Standard Large Generator Interconnection Agreement.

**Commercial Readiness Deposit** shall mean a deposit paid as set forth in Sections 3.4.2, 7.5, and 8.1 of this LGIP.

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

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

**Customer Engagement Window** shall mean the time period set forth in Section 3.4.5 of this LGIP.

**Default** shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

**Dispute Resolution** shall mean the procedure for resolution of a dispute between the Parties in which they will attempt to resolve the dispute under Section 13.5 of these procedures.

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

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

**Effective Date** shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties, or if requesting that service commence under an unexecuted LGIA subject to Dispute Resolution procedures in Section 13.5 of this LGIP, upon the date specified by Colorado Springs Utilities.

**Electric Reliability Organization** shall mean the North American Electric Reliability Corporation (NERC) or its successor organization.

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

manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Standard Large Generator Interconnection Agreement to possess black start capability.

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

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

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

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

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

**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.

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

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

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

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

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

**Interconnection Customer** shall mean any entity, including Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with Transmission Provider's Transmission System.

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

**Interconnection Facilities** shall mean Transmission 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 Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

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

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 3 of Transmission Provider's Standard Large Generator Interconnection Procedures 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 8 of this LGIP.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to Transmission Provider's Standard Large Generator Interconnection Procedures, in accordance with Transmission Provider's 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 Transmission Provider's Transmission System.

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

**Interconnection Study** shall mean any of the following studies: the Cluster Study, the Cluster Restudy, the Interconnection Facilities Study, the Affected System Study, Optional Interconnection Study, and Material Modification assessment, described in this LGIP.

**IRS** shall mean the Internal Revenue Service.

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

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

**LGIA Deposit** shall mean the deposit Interconnection Customer submits when returning the executed LGIA, or within ten (10) Business Days of requesting service commence

under an unexecuted LGIA, subject to Dispute Resolution procedures pursuant to Section 13.5 of this LGIP.

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

**Material Modification** shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with an equal or later Queue Position.

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

**Multiparty Affected System Facilities Construction Agreement** shall mean the agreement contained in Appendix 12 to this LGIP that is made among Transmission Provider and multiple Affected System Interconnection Customers to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on Transmission Provider's Transmission System.

**Multiparty Affected System Study Agreement** shall mean the agreement contained in Appendix 10 to this LGIP that is made among Transmission Provider and multiple Affected System Interconnection Customers to conduct an Affected System Study pursuant to Section 9 of this LGIP.

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

**Network Resource Interconnection Service** shall mean an Interconnection Service that allows Interconnection Customer to integrate its Large Generating Facility with Transmission Provider's Transmission System (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

**Notice of Dispute** shall mean a written notice of a dispute or claim that arises out of or in connection with Transmission Provider's Standard Large Generator Interconnection Agreement or its performance.

**Optional Interconnection Study** shall mean a sensitivity analysis based on assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement.

**Optional Interconnection Study Agreement** shall mean the form of agreement contained in Appendix 4 of Transmission Provider's Standard Large Generator Interconnection Procedures for conducting the Optional Interconnection Study.

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

**Permissible Technological Advancement** shall mean any change to an Interconnection Customer's Generating Facility that does not degrade the previously projected electrical performance of the generating equipment as stated in the Interconnection Request, or otherwise impact the reliability of Transmission Provider's Transmission System, as determined by Transmission Provider.

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

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

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

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

Provisional Large Generator Interconnection Agreement and, if applicable, Transmission Provider's Tariff.

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

**Queue Position** shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Section 4.1 of this LGIP.

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

**Scoping Meeting** shall mean the meeting between representatives of Interconnection Customer(s) and Transmission Provider conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.5 of this LGIP, and analyzing such information.

**Site Control** shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Small Generating Facility shall mean a Generating Facility that has a Generating Facility Capacity of no more than 20 MW.

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

Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Transmission Provider must provide Interconnection Customer a written technical explanation outlining why Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within twenty (20) Business Days of its determination.

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

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

**Substation Network Upgrades** shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.

**System Network Upgrades** shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.

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

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

**Transitional Cluster Study** shall mean an Interconnection Study evaluating a Cluster of Interconnection Requests during the transition to the Cluster Study Process, as set forth in Section 5.1.1.2 of this LGIP.

**Transitional Cluster Study Agreement** shall mean the agreement contained in Appendix 7 to this LGIP that is made between Transmission Provider and Interconnection Customer to conduct a Transitional Cluster Study pursuant to Section 5.1.1.2 of this LGIP.

**Transitional Cluster Study Report** shall mean the report issued following completion of a Transitional Cluster Study pursuant to Section 5.1.1.2 of this LGIP.

**Transitional Serial Interconnection Facilities Study** shall mean an Interconnection Facilities Study evaluating an Interconnection Request on a serial basis during the transition to the Cluster Study Process, as set forth in Section 5.1.1.1 of this LGIP.

**Transitional Serial Interconnection Facilities Study Agreement** shall mean the agreement contained in Appendix 8 to this LGIP that is made between Transmission Provider and Interconnection Customer to conduct a Transitional Serial Interconnection Facilities Study pursuant to Section 5.1.1.1 of this LGIP.

**Transitional Serial Interconnection Facilities Study Report** shall mean the report issued following completion of a Transitional Serial Interconnection Facilities Study pursuant to Section 5.1.1.1 of this LGIP.

**Transitional Withdrawal Penalty** shall mean the penalty assessed by Transmission Provider to Interconnection Customer that has entered the Transitional Cluster Study or Transitional Serial Interconnection Facilities Study and chooses to withdraw or is deemed withdrawn from Transmission Provider's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Transitional Withdrawal Penalty is set forth in Sections 5.1.1.1 and 5.1.1.2 of this LGIP.

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

**Transmission Provider** shall mean Colorado Springs Utilities.

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

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

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

**Withdrawal Penalty** shall mean the penalty assessed by Transmission Provider to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from Transmission 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 3.7.1 of this LGIP.

## Section 2. Scope and Application

### 2.1 Application of Standard Large Generator Interconnection Procedures

Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Large Generating Facility.

### 2.2 Comparability

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

### 2.3 Base Case Data

Transmission Provider shall provide base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions in LGIP Section 13.1. Transmission Provider is permitted to require that Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (1) generation projects and (ii) transmission projects, including merchant transmission projects that are proposed for Transmission Provider's Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

### 2.4 No Applicability to Transmission Service

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

## Section 3. Interconnection Requests

### 3.1 Interconnection Requests

#### 3.1.1 Study Deposits

**3.1.1.1** **Study Deposit**. Interconnection Customer shall submit to Transmission Provider, during a Cluster Request Window, an Interconnection Request in the form of Appendix 1 to this LGIP, a non-refundable application fee of $5,000, and a refundable study deposit of:

(a) $35,000 plus $1,000 per MW for Interconnection Requests < 80 MW; or

(b) $150,000 for Interconnection Requests ≥ 80 MW < 200 MW; or

(c) $250,000 for Interconnection Requests ≥ 200 MW.

Transmission Provider shall apply the study deposit toward the cost of the Cluster Study Process.

#### 3.1.2 Submission

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, Transmission 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 execution of the Cluster Study Agreement. For purposes of clustering Interconnection Requests, Transmission Provider may propose changes to the requested Point of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Point(s) of Interconnection. Transmission Provider shall 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 shall only change upon mutual agreement.

Transmission Provider shall have a process in place to consider requests for Interconnection Service below the Generating Facility Capacity. These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of Interconnection Facilities, Network Upgrades, and associated costs, but may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the system, with the study costs borne by Interconnection Customer. If after the additional studies are complete, Transmission Provider determines that additional Network Upgrades are necessary, then Transmission Provider must: (1) specify which additional Network Upgrade costs are based on which studies; and (2) provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade costs required for safety and reliability also would be borne by Interconnection Customer. Interconnection Customers may be subject to additional control technologies as well as testing and validation of those technologies consistent with Article 6 of Transmission Provider's LGIA. The necessary control technologies and protection systems shall be established in Appendix C of Interconnection Customer's executed LGIA, or unexecuted LGIA if requesting service commence under an unexecuted LGIA subject to Dispute Resolution procedures pursuant to Section 13.5 of this LGIP.

Transmission Provider shall have a process in place to 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 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, Transmission Provider 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 shall 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 6 of Transmission Provider's LGIA. The necessary control technologies and protection systems shall be set forth in Appendix C of Interconnection Customer's LGIA.

## 3.2 Identification of Types of Interconnection Services

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service, up to the point when an Interconnection Facilities Study Agreement is executed. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

### 3.2.1 Energy Resource Interconnection Service

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

**3.2.1.2** **The Study** The study consists of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Large Generating Facility, except for Generating Facilities that include at least one electric storage resource that request to use operating assumptions pursuant to Section 3.1.2, unless Transmission Provider 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 Large Generating Facility without requiring additional Network Upgrades.

**3.2.2 Network Resource Interconnection Service.**

**3.2.2.1** **The Product** Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an ISO or RTO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service Allows Interconnection Customer ‘s Large Generating Facility to be designated as a Network Resource, up to the Large Generating Facility’s full output, on the same basis as existing Network Resources interconnected to Transmission Provider’s Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

**3.2.2.2** **The Study** The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer’s Large Generating

Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Large Generating Facility's interconnection is also studied with Transmission Provider's Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Large Generating Facility at full output, except for Generating Facilities that include at least one electric storage resource that request to use, and for which Transmission Provider approves, operating assumptions pursuant to Section 3.1.2, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission Provider's Transmission System, consistent with Transmission Provider's reliability criteria and procedures. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's Large Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery. Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by Interconnection Customer, Transmission Provider must explain in writing to Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

**3.3** [Reserved]

**3.3.1** [Reserved]

## 3.4 Valid Interconnection Request

### 3.4.1 Cluster Request Window

Transmission Provider shall accept Interconnection Requests during a forty-five (45) Calendar Day period (the Cluster Request Window). The initial Cluster Request Window shall open for Interconnection Requests beginning sixty (60) Calendar Days after the conclusion of the transition process set out in Section 5.1 of this LGIP and successive Cluster Request Windows shall open annually every August 1 thereafter.

### 3.4.2 Initiating an Interconnection Request

An Interconnection Customer seeking to join a Cluster shall submit its Interconnection Request to Transmission Provider within, and no later than the close of, the Cluster Request Window. Interconnection Requests submitted outside of the Cluster Request Window will not be considered. To initiate an Interconnection Request, Interconnection Customer must submit all of the following:

(i) Applicable study deposit amount, pursuant to Section 3.1.1.1 of this LGIP,

(ii) A completed application in the form of Appendix 1,

(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 Transmission Provider; 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, 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,

(iv) Generating Facility Capacity (MW) (and requested Interconnection Service level if the requested Interconnection Service is less than the Generating Facility Capacity),

(v) 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 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,

(vi) A Commercial Readiness Deposit equal to two times the study deposit described in Section 3.1.1.1 of this LGIP in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Transmission Provider. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 3.7 of this LGIP,

(vii) A Point of Interconnection, and

(viii) Whether the Interconnection Request shall be studied for Network Resource Interconnection Service or for Energy Resource Interconnection Service, consistent with Section 3.2 of this LGIP.

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 Transmission Provider until Interconnection Customer provides the required Site Control demonstration for its point in the Cluster Study Process. Interconnection Customers 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 LGIA.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 3.4.2(iii) of this LGIP. If Transmission Provider determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies the Site Control requirement, Transmission Provider shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement subject to Transmission Provider's approval. Absent such, Transmission Provider shall deem the Interconnection Request withdrawn pursuant to Section 3.7 of this LGIP.

The expected In-Service Date of the new Large Generating Facility or increase in capacity of the existing Generating Facility shall be

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

### 3.4.3 Acknowledgment of Interconnection Request

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

### 3.4.4 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be a valid request until all items in Section 3.4.2 of this LGIP have been received by Transmission Provider during the Cluster Request Window. If an Interconnection Request fails to meet the requirements set forth in Section 3.4.2 of this LGIP, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice but no later than the close of the Cluster Request Window. At any time, if Transmission Provider finds that the technical data provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer and Transmission Provider shall work expeditiously and in good faith to remedy such issues. In the event that Interconnection Customer fails to comply with this Section 3.4.4 of this LGIP, Transmission Provider shall deem the Interconnection Request withdrawn (without the cure period provided under Section 3.7 of this LGIP), the application fee is forfeited to Transmission Provider, and the

study deposit and Commercial Readiness Deposit shall be returned to Interconnection Customer.

### 3.4.5 Customer Engagement Window

Upon the close of each Cluster Request Window, Transmission Provider shall open a ninety (90) Calendar Day period (Customer Engagement Window). During the Customer Engagement Window, Transmission Provider shall hold a Scoping Meeting with all interested Interconnection Customers. Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, Transmission Provider may shorten the Customer Engagement Window and begin the Cluster Study. Within twenty (20) Business Days of the opening of the Customer Engagement Window, Transmission Provider shall post on its OASIS a list of Interconnection Requests for that Cluster. The list shall identify, for each anonymized Interconnection Request: (1) the requested amount of Interconnection Service; (2) the location by county and state; (3) the station or transmission line or lines where the interconnection will be made; (4) the projected In-Service Date; (5) the type of Interconnection Service requested; and (6) the type of Generating Facility or Facilities to be constructed, including fuel types, such as coal, natural gas, solar, or wind. Transmission 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, Transmission Provider shall provide to Interconnection Customer a non-binding updated good faith estimate of the cost and timeframe for completing the Cluster Study and a Cluster Study Agreement to be executed 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 2 to this LGIP shall 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 3.7 of this LGIP) by Transmission Provider, the application fee shall be forfeited to Transmission Provider, and Transmission Provider shall return the study deposit and Commercial Readiness Deposit to Interconnection Customer. Immediately following the Customer

Engagement Window, Transmission Provider shall initiate the Cluster Study described in Section 7 of this LGIP.

#### 3.4.6 Cluster Study Scoping Meeting.

During the Customer Engagement Window, Transmission Provider shall hold a Scoping Meeting with all Interconnection Customers whose valid Interconnection Requests were received in that Cluster Request Window.

The purpose of the Cluster Study Scoping Meeting shall be to discuss 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 OASIS pursuant to Section 3.5 of this LGIP, if applicable, and to analyze such information. Transmission 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. Transmission Provider and Interconnection Customer(s) 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. If the Cluster Study Scoping Meeting consists of more than one Interconnection Customer, Transmission Provider shall issue, no later than thirty (30) Calendar Days after the commencement of the Customer Engagement Window, and Interconnection Customer shall execute a non-disclosure agreement prior to a group Cluster Study Scoping Meeting, which will provide for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

### 3.5 OASIS Posting

#### 3.5.1 OASIS Posting.

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

(iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the type of Interconnection Service being requested; (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed; and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. The list will not disclose the identity of Interconnection Customer until Interconnection Customer executes an LGIA or requests that service be provided pursuant to an unexecuted LGIA, subject to Dispute Resolution, consistent with Section 11, below. Before holding a Scoping Meeting, Transmission Provider shall post on OASIS an advance notice of its intent to do so. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Large Generating Facility's In-Service Date.

**3.5.2** [Reserved]

**3.5.3** [Reserved]

**3.5.4** [Reserved]

## 3.6 Coordination with Affected Systems

Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators. Interconnection Customer will cooperate with Transmission Provider and Affected System Operator in all matters related to the conduct of studies and the determination of modifications to 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.

### 3.6.1 Initial Notification.

Transmission Provider must 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 Study.

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

### 3.6.2 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.

### 3.6.3 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.

## 3.7 Withdrawal

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

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, Interconnection

Customer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn by Transmission Provider under Section 3.7 of this LGIP, Transmission Provider shall (i) update the OASIS Queue Position posting; (ii) impose the Withdrawal Penalty described in Section 3.7.1 of this LGIP; and (iii) refund to Interconnection Customer any portion of the refundable portion of Interconnection Customer's study deposit that exceeds the costs that Transmission Provider has incurred, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations. Transmission Provider shall 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 such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1 of this LGIP, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

### 3.7.1 Withdrawal Penalty

Interconnection Customer shall be subject to a Withdrawal Penalty if it withdraws its Interconnection Request or is deemed withdrawn, or the Generating Facility does not otherwise reach Commercial Operation unless: (1) the withdrawal does not have a material impact on the cost or timing of any Interconnection Request in the same Cluster; (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.

### 3.7.1.1 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 shall 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 3.1.1.1 of this LGIP; 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 shall be charged two (2) times its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point in the Interconnection Study process.

(b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports issued pursuant to Section 7.5 of this LGIP, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer shall 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 8.3 of this LGIP, or after receipt of the draft LGIA but before Interconnection Customer has executed an

LGIA or has requested that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP, and has satisfied the other requirements described in Section 11.3 of this LGIP (i.e., Site Control demonstration, LGIA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility), Interconnection Customer shall be charged ten percent (10%) its estimated Network Upgrade costs.

(d) If Interconnection Customer has executed an LGIA or has requested that service commence under an unexecuted LGIA pursuant to Section 11.2, and has satisfied the other requirements described in Section 11.3 of this LGIP (i.e., Site Control demonstration, LGIA 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 shall be twenty percent (20%) its estimated Network Upgrade costs.

**3.7.1.2 Distribution of the Withdrawal Penalty.**

**3.7.1.2.1 Initial Distribution of Withdrawal Penalties Prior to Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster.**

For a single Cluster, Transmission Provider shall hold all Withdrawal Penalty funds until all Interconnection Customers in that Cluster have either: (1) withdrawn or been deemed withdrawn; (2) executed an LGIA; or (3) requested that service commence

under an unexecuted LGIA pursuant to Section 11.2, subject to Dispute Resolution procedures under Section 13.5 of this LGIP. Any Withdrawal Penalty funds collected from the Cluster shall first be used to fund studies conducted under the Cluster Study Process for Interconnection Customers in the same Cluster that have executed the LGIA or requested that service commence under an unexecuted LGIA. Next, after the Withdrawal Penalty funds are applied to relevant study costs in the same Cluster, Transmission Provider will apply the remaining Withdrawal Penalty funds to reduce net increases, for Interconnection Customers in the same Cluster, in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 11.5 of Transmission Provider's LGIA attributable to the impacts of withdrawn Interconnection Customers that shared an obligation with the remaining Interconnection Customers to fund a Network Upgrade, as described in more detail in Sections 3.7.1.2.3 and 3.7.1.2.4. The total amount of funds used to fund these studies under the Cluster Study Process or those applied to any net increases in Network Upgrade costs for Interconnection Customers in the same Cluster shall not exceed the total amount of Withdrawal Penalty funds collected from the Cluster.

Withdrawal Penalty funds shall first be applied as a refund to invoiced study costs for Interconnection Customers in the same Cluster that did not withdraw within thirty (30) Calendar Days of

such Interconnection Customers executing their LGIA or requesting that service commence under an unexecuted LGIA. Distribution of Withdrawal Penalty funds within one specific Cluster for study costs shall not exceed the total actual Cluster Study Process costs for the Cluster. Withdrawal Penalty funds applied to study costs shall be allocated within the same Cluster to Interconnection Customers in a manner consistent with Transmission Provider's method in Section 13.3 of this LGIP for allocating the costs of Interconnection Studies conducted on a clustered basis.

If an Interconnection Customer withdraws after it executes an LGIA, or after it requests service to commence under an unexecuted LGIA, Transmission Provider shall first apply such Interconnection Customer's Withdrawal Penalty funds to any restudy costs required due to Interconnection Customer's withdrawal as a credit to as-yet-to be invoiced study costs to be charged to the remaining Interconnection Customers in the same Cluster in a manner consistent with Transmission Provider's method in Section 13.3 of this LGIP for allocating the costs of Interconnection Studies conducted on a clustered basis. Distribution of the Withdrawal Penalty funds for such restudy costs shall not exceed the total actual restudy costs.

**3.7.1.2.2 Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster.**

If Withdrawal Penalty funds remain for the same Cluster after the Withdrawal Penalty funds are applied to relevant study costs, Transmission Provider will determine if the withdrawn Interconnection Customers, at any point in the Cluster Study Process, shared cost assignment for one or more Network Upgrades with any remaining Interconnection Customers in the same Cluster based on the Cluster Study Report, Cluster Restudy Report(s), Interconnection Facilities Study Report, and any subsequent issued restudy report issued for the Cluster.

In Section 3.7.1.2 of this LGIP, shared cost assignments for Network Upgrades refers to the cost of Network Upgrades still needed for the same Cluster for which an Interconnection Customer, prior to withdrawing its Interconnection Request, shared the obligation to fund along with Interconnection Customers that have executed an LGIA, or have requested that service commence under an unexecuted LGIA.

If Transmission Provider's assessment determines that there are no shared cost assignments for any Network Upgrades in the same Cluster for the withdrawn Interconnection Customer, or determines that the withdrawn Interconnection Customer's withdrawal did not cause a net increase in the shared cost assignment for any remaining Interconnection Customers' Network Upgrade(s) in the same Cluster, Transmission Provider will return any remaining Withdrawal Penalty funds to the withdrawn

Interconnection Customer(s). Such remaining Withdrawal Penalty funds will be returned to withdrawn Interconnection Customers based on the proportion of each withdrawn Interconnection Customer's contribution to the total amount of Withdrawal Penalty funds collected for the Cluster (i.e., the total amount before the initial disbursement required under Section 3.7.1.2.1 of this LGIP). Transmission Provider must make such disbursement within ninety (90) Calendar Days of the date on which all Interconnection Customers in the same Cluster have either: (1) withdrawn or been deemed withdrawn; (2) executed an LGIA; or (3) requested that service commence under an unexecuted LGIA pursuant to Section 11.2, subject to Dispute Resolution procedures in Section 13.5 of this LGIP. For the withdrawn Interconnection Customers that Transmission Provider determines have caused a net increase in the shared cost assignment for one or more Network Upgrade(s) in the same Cluster under Section 3.7.1.2.3(a) of this LGIP, Transmission Provider will determine each such withdrawn Interconnection Customers' Withdrawal Penalty funds remaining balance that will be applied toward net increases in Network Upgrade shared costs calculated under Sections 3.7.1.2.3(a) and 3.7.1.2.3(b) of this LGIP based on each such withdrawn Interconnection Customer's proportional contribution to the total amount of Withdrawal Penalty funds collected for the same Cluster (i.e., the total amount before the initial disbursement requirement under Section 3.7.1.2.1 of this LGIP).

If Transmission Provider's assessment determines that there are shared cost assignments for Network Upgrades in the same Cluster, Transmission Provider will calculate the remaining Interconnection Customers' net increase in cost assignment for Network Upgrades due to a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customer and distribute Withdrawal Penalty funds as described in Section 3.7.1.2.3, depending on whether the withdrawal occurred before the withdrawing Interconnection Customer executed the LGIA (or requested that service commence under an unexecuted LGIA), as described in Section 3.7.1.2.3(a) of this LGIP, or after such execution of an LGIA (or after such request that service commence under an unexecuted LGIA), as described in Section 3.7.1.2.3(b) of this LGIP.

As discussed in Section 3.7.1.2.4 of this LGIP, Transmission Provider will amend executed LGIAs (or unexecuted LGIAs) of the remaining Interconnection Customers in the same Cluster to apply the remaining Withdrawal Penalty funds to reduce net increases in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 11.5 of Transmission Provider's LGIA attributable to the impacts of withdrawn Interconnection Customers on Interconnection Customers remaining in the same Cluster that had a shared

cost assignment for Network Upgrades with the withdrawn Interconnection Customers.

**3.7.1.2.3 Impact Calculations.**

**3.7.1.2.3(a) Impact Calculation for Withdrawals During the Cluster Study Process.**

If an Interconnection Customer withdraws before it executes its LGIA, or before it requests that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP, Transmission Provider will distribute in the following manner the Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment for a Network Upgrade with the withdrawn Interconnection Customer.

To calculate the reduction in the remaining Interconnection Customers' net increase in Network Upgrade costs and associated financial security requirements under Article 11.5 of the LGIA, Transmission Provider will determine the financial impact of a withdrawing Interconnection Customer on other Interconnection Customers in the same Cluster that shared an obligation to fund the same Network Upgrade(s). Transmission Provider shall calculate this financial impact once all Interconnection Customers in the same Cluster either: (1) have withdrawn or have been deemed withdrawn; (2) executed an LGIA; or (3) requested that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP. Transmission Provider

will perform the financial impact calculation using the following steps.

First, Transmission Provider must determine which withdrawn Interconnection Customers shared an obligation to fund Network Upgrades with Interconnection Customers from the same Cluster that have LGIAs that are executed or have requested that service commence under an unexecuted LGIA. Next, Transmission Provider shall perform the calculation of the financial impact of a withdrawal on another Interconnection Request in the same Cluster by performing a comparison of the Network Upgrade cost estimates between each of the following:

(1) Cluster Study phase to Cluster Restudy phase (if Cluster Restudy was necessary);

(2) Cluster Restudy phase to Interconnection Facilities Study phase (if a Cluster Restudy was necessary);

(3) Cluster Study phase to Interconnection Facilities Study phase (if no Cluster Restudy was performed);

(4) Interconnection Facilities Study phase to any subsequent restudy that was performed before the execution or request that service commence under an unexecuted LGIA subject to Dispute Resolution procedures in Section 13.5 of this LGIP;

(5) the restudy to the executed, or if applicable unexecuted, LGIA (if a restudy was performed after the Interconnection Facilities

Study phase and before the execution of an LGIA or before the request that service commence under an unexecuted LGIA).

If, based on the above calculations, Transmission Provider determines:

(i) that the costs assigned to an Interconnection Customer in the same Cluster for Network Upgrades that a withdrawn Interconnection Customer shared cost assignment for increased between any two studies, and

(ii) after the impacted Interconnection Customer's LGIA was executed (or after service was requested to commence under an unexecuted LGIA), Interconnection Customer's cost assignment for the relevant Network Upgrade is greater than it was prior to the withdrawal of Interconnection Customer in the same Cluster that shared cost assignment for the Network Upgrade, then Transmission Provider shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds that has not already been applied to study costs in the amount of the financial impact by reducing, in the same Cluster, the remaining Interconnection Customer's Network Upgrade costs and associated financial security requirements under Article 11.5 of the LGIA.

If Transmission Provider determines that more than one Interconnection Customer in the same Cluster was financially impacted by the same withdrawn Interconnection Customer, Transmission Provider will apply the relevant withdrawn Interconnection Customer's Withdrawal Penalty funds that has not already been applied to study costs to reduce the financial impact to each Interconnection Customer based on each Interconnection Customer's proportional share of the financial impact, as determined by either the Proportional Impact Method if it is a System Network Upgrade or on a per capita basis if it is a Substation Network Upgrade, as described under Section 4.2.1 of this LGIP.

**3.7.1.2.3(b) Impact Calculation for Withdrawals in the Same Cluster After the Cluster Study Process.**

If an Interconnection Customer withdraws after it executes its LGIA, or after it requests that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP, Transmission Provider will distribute in the following manner the remaining Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment with the withdrawn Interconnection Customer for one or more Network Upgrades.

Transmission Provider will determine the financial impact on the remaining Interconnection Customers in the same Cluster within sixty (60) Calendar Days after the withdrawal occurs. Transmission Provider will determine

that financial impact by comparing the Network Upgrade cost funding obligations Interconnection Customers shared with the withdrawn Interconnection Customer before the withdrawal of Interconnection Customer and after the withdrawal of Interconnection Customer. If that comparison indicates an increase in Network Upgrade costs for an Interconnection Customer, Transmission Provider shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds to the increased costs each impacted Interconnection Customer in the same Cluster experienced associated with such Network Upgrade(s) in proportion to each Interconnection Customer's increased cost assignment, as determined by Transmission Provider.

**3.7.1.2.4 Amending LGIA to Apply Reductions to Interconnection Customer's Assigned Network Upgrade Costs and Associated Financial Security Requirement with Respect to Withdrawals in the Same Cluster.**

Within sixty (60) Calendar Days of all Interconnection Customers in the same Cluster having: (1) withdrawn or been deemed withdrawn; (2) executed an LGIA; or (3) requested that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP, Transmission Provider must perform the calculations described in Section 3.7.1.2.3(a) of this LGIP and provide such Interconnection Customers with an amended LGIA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial

security requirements, under Article 11.5 of the LGIA, due from Interconnection Customer to Transmission Provider.

Where an Interconnection Customer executes the LGIA (or requests that service commence under an unexecuted LGIA) and is later withdrawn or its LGIA is terminated, Transmission Provider must, within thirty (30) Calendar Days of such withdrawal or termination, perform the calculations described in Section 3.7.1.2.3(b) of this LGIP and provide such Interconnection Customers in the same Cluster with an amended LGIA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 11.5 of the LGIA, due from Interconnection Customer to Transmission Provider.

**3.7.1.2.5 Final Distribution of Withdrawal Penalty Funds.**

If Withdrawal Penalty funds remain for the Cluster after the Withdrawal Penalty funds are applied to relevant study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers, Transmission Provider will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customers in the same Cluster net of the amount of each withdrawn Interconnection Customer's Withdrawal Penalty funds applied to study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers.

### 3.8 Identification of Contingent Facilities.

Transmission Provider shall identify Contingent Facilities by examining the unbuilt interconnection facilities, network upgrades, and/or planned upgrades not yet in-service based on the following criteria, technical screens, and analysis:

(a) Using information obtained through interconnection requests and actively coordinating local and regional transmission plans, incorporating information from stakeholders, and participation in WECC, WestConnect, and other sub-regional planning groups to identify any potential projects (i.e. unbuilt Interconnection Facilities, Network Upgrades, and/or planned upgrades not yet in service, including higher queued generation interconnection requests, higher-queued transmission service requests, other wires to- wires interconnection projects, and planned projects on other Affected Systems) upon which the Interconnection Request's costs, timing, and study findings may depend, and if delayed or not built, may cause a need for Re-Studies of the Interconnection Request or a reassessment of the Interconnection.

(b) System performance will be measured against the technical screens described in the current or applicable versions of Transmission Provider's posted engineering standards, the NERC TPL-001 Standard and the WECC TPL-001 System Performance Regional Criteria, or either of their successor standards and/or criteria, which may include power flow, reactive power, voltage stability, transient stability and/or short circuit analyses and performance criteria.

(c) Using "binary analysis," (i.e. a comparison of system performance with and without a project modeled in the system), determine Contingent Facilities as follows:

i. If, by its non-existence, any project identified in (a) leaves Interconnection Customer with nothing to connect to, that project is a Contingent Facility.

ii. If any project identified in (a) relieves reliability violations or forestalls any reductions to a WECC Accepted Path Rating caused by Interconnection Customer's project, that project is a Contingent Facility.

The total of all the facilities that satisfy each of the foregoing criteria shall be identified as Contingent Facilities and included in Interconnection Customer's LGIA.

## Section 4. Interconnection Request Evaluation Process.

Once an Interconnection Customer has submitted a valid Interconnection Request pursuant to Section 3.4 of this LGIP, such Interconnection Request shall become part of Transmission Provider's interconnection queue for further processing pursuant to the following procedures.

### 4.1 Queue Position.

#### 4.1.1 Assignment of Queue Position.

Transmission Provider shall assign a Queue Position as follows: the Queue Position within the queue shall be assigned based upon the date and time of receipt of all items required pursuant to the provisions of Section 3.4 of this LGIP. All Interconnection Requests submitted and validated in a single Cluster Request Window shall be considered equally queued.

#### 4.1.2 Higher Queue Position.

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

### 4.2 General Study Process.

Interconnection Studies performed within the Cluster Study Process shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study and consistent with Good Utility Practice.

Transmission Provider may use subgroups in the Cluster Study Process. In all instances in which Transmission Provider elects to use subgroups in the Cluster Study Process, Transmission Provider must publish the criteria used to define and determine subgroups on its OASIS or public website.

#### 4.2.1 Cost Allocation for Interconnection Facilities and Network Upgrades.

(1) For Network Upgrades identified in Cluster Studies, Transmission Provider shall calculate each Interconnection Customer's share of the costs as follows:

(a) Substation Network Upgrades, including all switching stations, shall be allocated first per capita to Interconnection Facilities interconnecting to the substation at the same voltage level, and then per capita to each Generating Facility sharing the Interconnection Facility.

(b) System Network Upgrades shall be allocated based on the proportional impact of each individual Generating Facility in the Cluster Study on the need for a specific System Network Upgrade.

(i) Thermal Network Upgrade costs within a Cluster will be allocated based on the impact (MW) from each Generating Facility within the Cluster, on the constrained facilities in the Interconnection Study case(s).

(ii) Voltage Network Upgrade costs within a Cluster will be allocated based on the voltage impact from each Generating Facility within the Cluster, on the most constrained bus under the most constraining contingency in the Interconnection Study case(s).

(iii) In instances when mitigation(s) resolve multiple types of constraints (such as thermal + voltage or thermal + voltage + transient stability) the cost will be allocated within a Cluster based off the ratio share of the total cost of the independent mitigation types in order to equitably allocate the cost to all Generating Facilities contributing to constraints.

(iv) Transient Stability Network Upgrade costs within a Cluster will be cost allocated based on the pro-rata share of the total megawatt requests of all the Generating Facilities causing instability.

(v) Short Circuit Network Upgrade costs within a Cluster will be allocated based on the impact (kA) from each Generating Facility within the Cluster, on the constrained facilities under the

most constraining fault in the Interconnection Study case(s).

(2) The costs of any needed Interconnection Facilities identified in the Cluster Study Process will be directly assigned to Interconnection Customer(s) using such facilities. Where Interconnection Customers in the Cluster agree to share Interconnection Facilities, the cost of such Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing use of such Interconnection Facilities on a per capita basis (i.e., on a per Generating Facility basis), unless Parties mutually agree to a different cost sharing arrangement.

## 4.3 Transferability of Queue Position

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

## 4.4 Modifications

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

Notwithstanding the above, during the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the Point of Interconnection prior to return of the executed Cluster Study Agreement, and Interconnection Customer shall retain its Queue Position.

**4.4.1** Prior to the return of the executed Cluster Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project, through either (1) a decrease in plant size or (2) a decrease in interconnection service level (consistent with the process described in Section 3.1) accomplished by applying Transmission Provider-approved

injection-limiting equipment; (b) modifying the technical parameters associated with the Large Generating Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go in the next Cluster Request Window for the purposes of cost allocation and study analysis.

**4.4.2** Prior to the return of the executed Interconnection Study Agreement to Transmission Provider, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output of the proposed project through either (1) a decrease, in plant size (MW) or (2) a decrease in interconnection service level (consistent with the process described in Section 3.1) accomplished by applying Transmission Provider-approved injection-limiting equipment; (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer; and (c) a Permissible Technological Advancement for the Large Generating Facility after the submission of the Interconnection Request. Section 4.4.6 specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether Interconnection Customer's proposed technological advancement under Section 4.4.6 is a Material Modification. Section 1 contains a definition of Permissible Technological Advancement.

**4.4.3** Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, and 4.4.5, Interconnection Customer may first request that Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 3.1.2 or 4.4 of this LGIP 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. Transmission Provider shall study the 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 Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

**4.4.3.1** Interconnection Customer may request, and Transmission 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. Transmission 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 Transmission Provider. Interconnection Customers requesting that such a modification be evaluated must demonstrate the required Site Control at the time such request is made.

**4.4.4** Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Transmission Provider commence such studies later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost. 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 LGIP.

**4.4.5** Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Large Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. For purposes of this section, the Commercial Operation Date reflected in the initial Interconnection Request shall be used to calculate the permissible extension prior to Interconnection Customer executing

an LGIA or requesting that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP. After an LGIA is executed or after service is requested to commence under an unexecuted LGIA, the Commercial Operation Date reflected in Interconnection Customer's LGIA shall be used to calculate the permissible extension. Such cumulative extensions may not exceed three years including both extensions requested after execution of the LGIA by Interconnection Customer (or after requesting that service commence under an unexecuted LGIA) and those requested prior to execution of the LGIA by Interconnection Customer (or those prior to requesting that service commence under an unexecuted LGIA).

### 4.4.6 Technological Change Procedures

If an Interconnection Customer seeks to incorporate a technological advancement into its Generating Facility, it should submit a technological advancement request to Transmission Provider in writing prior to completion of the Cluster Study Report or Cluster Restudy Report.

The technological advancement request must include a description of the proposed advancement and provide details necessary to evaluate whether the proposed advancement is material, including but not limited to, listing the specific parameters in Attachments A and B to Appendix 3 of this LGIP that would change as a result of the proposed advancement.

If the proposed technological advancement is a Permissible Technological Advancement or would not change any of the parameters in Attachments A or B to Appendix 3 of this LGIP, no study will be necessary and the proposed advancement will not be considered a Material Modification.

Transmission Provider will evaluate the request pursuant to Section 4.4.3 of this LGIP. Studies conducted for purposes of this Section 4.4.6 of this LGIP will be completed in thirty (30) Calendar Days after Interconnection Customer submits a formal technological advancement request to Transmission Provider, provided that Interconnection Customer has provided the required information and study deposit.

## Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of the Cluster Study Revisions

### 5.1 Procedures for Transitioning to the Cluster Study Process.

**5.1.1** Any Interconnection Customer assigned a Queue Position as of March 3, 2025, shall retain that Queue Position subject to the requirements in Sections 5.1.1.1 and 5.1.1.2 of this LGIP. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn by Transmission Provider pursuant to Section 3.7 of this LGIP. In such case, Transmission Provider shall not assess Interconnection Customer any Withdrawal Penalty.

Any Interconnection Customer that has received a final Interconnection Facilities Study Report before the commencement of the studies under the transition process set forth in this Section shall be tendered an LGIA pursuant to Section 11 of this LGIP, and shall not be required to enter this transition process.

#### 5.1.1.1 Transitional Serial Study.

An Interconnection Customer that has been tendered an Interconnection Facilities Study Agreement as of March 3, 2025, may opt to proceed with an Interconnection Facilities Study. Transmission Provider shall tender each eligible Interconnection Customer a Transitional Serial Interconnection Facilities Study Agreement, in the form of Appendix 8 to this LGIP, as soon as practicable. Transmission Provider shall proceed with the Interconnection Facilities Study, provided that Interconnection Customer: (1) meets each of the following requirements; and (2) executes the Transitional Serial Interconnection Facilities Study Agreement within sixty (60) Calendar Days of March 3, 2025. If an eligible Interconnection Customer does not meet these requirements, its Interconnection Request shall be deemed withdrawn without penalty. Transmission Provider must commence the Transitional Serial Interconnection Facilities Study at the conclusion of this sixty (60) Calendar Day period. Transitional Serial Interconnection Facilities Study costs shall be allocated according to the method described in Section 13.3 of this LGIP.

All of the following must be included when an Interconnection Customer returns the Transitional Serial Interconnection Facilities Study Agreement:

(1) A deposit equal to one hundred percent (100%) of the costs identified for Transmission Provider's Interconnection Facilities and Network Upgrades in Interconnection Customer's system impact study report. If Interconnection Customer does not withdraw, the deposit shall be trued up to actual costs once they are known and applied to future construction costs described in Interconnection Customer's eventual LGIA. Any amounts in excess of the actual construction costs shall be returned to Interconnection Customer within ninety (90) Calendar Days of the issuance of a final invoice for construction costs, in accordance with Article 12.2 of Transmission Provider's LGIA. If Interconnection Customer withdraws or otherwise does not reach Commercial Operation, Transmission Provider shall refund the remaining deposit after the final invoice for study costs and Transitional Withdrawal Penalty is settled. The deposit shall be in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Transmission Provider, where cash deposits shall be treated according to Section 3.7 of this LGIP.

(2) Exclusive Site Control for 100% of the proposed Generating Facility.

Transmission Provider shall conduct each Transitional Serial Interconnection Facilities Study and issue the associated Transitional Serial Interconnection Facilities Study Report within two hundred forty (240) Calendar Days of the effective date of this LGIP.

After Transmission Provider issues each Transitional Interconnection Facilities Study Report, Interconnection Customer shall proceed pursuant to Section 11 of this LGIP. If Interconnection Customer

withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not reach Commercial Operation, a Transitional Withdrawal Penalty shall be imposed on Interconnection Customer equal to nine (9) times Interconnection Customer's total study cost incurred since entering Transmission Provider's interconnection queue (including the cost of studies conducted under Section 5 of this LGIP).

#### 5.1.1.2 Transitional Cluster Study

An Interconnection Customer with an assigned Queue Position as of March 3, 2025, may opt to proceed with a Transitional Cluster Study. Transmission Provider shall tender each eligible Interconnection Customer a Transitional Cluster Study Agreement, in the form of Appendix 7 to this LGIP, as soon as practicable. Transmission Provider shall proceed with the Transitional Cluster Study that includes each Interconnection Customer that: (1) meets each of the following requirements listed as (1)–(3) in this section; and (2) executes the Transitional Cluster Study Agreement within sixty (60) Calendar Days of March 3, 2025. All Interconnection Requests that enter the Transitional Cluster Study shall be considered to have an equal Queue Position that is lower than Interconnection Customer(s) proceeding with Transitional Serial Interconnection Facilities Study. If an eligible Interconnection Customer does not meet these requirements, its Interconnection Request shall be deemed withdrawn without penalty. Transmission Provider must commence the Transitional Cluster Study at the conclusion of this sixty (60) Calendar Day period. All identified Transmission Provider's Interconnection Facilities and Network Upgrade costs shall be allocated according to Section 4.2.1 of this LGIP. Transitional Cluster Study costs shall be allocated according to the method described in Section 13.3 of this LGIP.

Interconnection Customer may make a one-time extension to its requested Commercial Operation Date upon entry into the Transitional Cluster Study, where any such extension shall not result in a

Commercial Operation Date later than December 31, 2029.

All of the following must be included when an Interconnection Customer returns the Transitional Cluster Study Agreement:

(1) A selection of either Energy Resource Interconnection Service or Network Resource Interconnection Service.

(2) A deposit of five million dollars ($5,000,000) in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Transmission Provider, where cash deposits will be treated according to Section 3.7 of this LGIP. If Interconnection Customer does not withdraw, the deposit shall be reconciled with and applied towards future construction costs described in the LGIA. Any amounts in excess of the actual construction costs shall be returned to Interconnection Customer within ninety (90) Calendar Days of the issuance of a final invoice for construction costs, in accordance with Article 12.2 of the LGIA. If Interconnection Customer withdraws or otherwise does not reach Commercial Operation, Transmission Provider must refund the remaining deposit once the final invoice for study costs and Transitional Withdrawal Penalty is settled.

(3) Exclusive Site Control for 100% of the proposed Generating Facility.

Transmission Provider shall conduct the Transitional Cluster Study and issue both an associated interim Transitional Cluster Study Report and an associated final Transitional Cluster Study Report. The interim Transitional Cluster Study Report shall provide the following information:

(1) identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

(2) identification of any thermal overload or voltage limit violations resulting from the interconnection;

(3) identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and

(4) Transmission Provider's Interconnection Facilities and Network Upgrades that are expected to be required as a result of the Interconnection Request(s) and a non-binding, good faith estimate of cost responsibility and a non-binding, good faith estimated time to construct.

In addition to the information provided in the interim Transitional Cluster Study Report, the final Transitional Cluster Study Report shall provide a description of, estimated cost of, and schedule for construction of Transmission Provider's Interconnection Facilities and Network Upgrades required to interconnect the Generating Facility to the Transmission System that resolve issues identified in the interim Transitional Cluster Study Report.

The interim and final Transitional Cluster Study Reports shall be issued within three hundred sixty (360) and four hundred twenty (420) Calendar Days of the effective date of this LGIP, respectively, and shall be posted on Transmission Provider's OASIS consistent with the posting of other study results pursuant to Section 3.5.1 of this LGIP. Interconnection Customer shall have thirty (30) Calendar Days to comment on the interim Transitional Cluster Study Report, once it has been received.

After Transmission Provider issues the final Transitional Cluster Study Report, Interconnection Customer shall proceed pursuant to Section 11 of this LGIP. If Interconnection Customer withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not

reach Commercial Operation, a Transitional Withdrawal Penalty will be imposed on Interconnection Customer equal to nine (9) times Interconnection Customer's total study cost incurred since entering Transmission Provider's interconnection queue (including the cost of studies conducted under Section 5 of this LGIP).

**5.1.2** [Reserved]

### 5.2 New Transmission Provider

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this LGIP shall be paid by or refunded to Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft LGIA to Interconnection Customer but Interconnection Customer has not either executed the LGIA or requested under Section 11, below, that service commence under an unexecuted LGIA subject to Dispute Resolution, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

## Section 6. Interconnection Information Access

### 6.1 Publicly Posted Interconnection Information.

Transmission Provider shall maintain and make publicly available: (1) an interactive visual representation of the estimated incremental injection capacity (in megawatts) available at each point of interconnection in Transmission Provider's footprint under N-1 conditions, and (2) a table of metrics concerning the estimated impact of a potential Generating Facility on Transmission Provider's Transmission System based on a user-specified addition of a particular number of megawatts at a particular voltage level at a particular point of interconnection. At a minimum, for each transmission facility impacted by the user-specified megawatt addition, the following information will be provided in the table: (1) the distribution factor; (2) the megawatt impact (based on the megawatt values of the proposed Generating Facility and the distribution factor); (3)

the percentage impact on each impacted transmission facility (based on the megawatt values of the proposed Generating Facility and the facility rating); (4) the percentage of power flow on each impacted transmission facility before the injection of the proposed project; (5) the percentage power flow on each impacted transmission facility after the injection of the proposed Generating Facility. These metrics must be calculated based on the power flow model of the Transmission System with the transfer simulated from each point of interconnection to the whole Transmission Provider's footprint (to approximate Network Resource Interconnection Service), and with the incremental capacity at each point of interconnection decremented by the existing and queued Generating Facilities (based on the existing or requested interconnection service limit of the generation). These metrics must be updated within thirty (30) Calendar Days after the completion of each Cluster Study and Cluster Restudy. This information must be publicly posted, without a password or a fee. The website will define all underlying assumptions, including the name of the most recent Cluster Study or Restudy used in the Base Case.

## Section 7. Cluster Study

### 7.1 Cluster Study Agreement

No later than fifteen (15) Calendar Days after the close of a Cluster Request Window, Transmission Provider shall tender to each Interconnection Customer that submitted a valid Interconnection Request a Cluster Study Agreement in the form of Appendix 2 to this LGIP. The Cluster Study Agreement shall require Interconnection Customer to compensate Transmission Provider for the actual cost of the Cluster Study pursuant to Section 13.3 of this LGIP. The specifications, assumptions, or other provisions in the appendices of the Cluster Study Agreement provided pursuant to Section 7.1 of this LGIP shall be subject to change by Transmission Provider following the conclusion of the Scoping Meeting.

### 7.2 Execution of Cluster Study Agreement

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

If Interconnection Customer does not provide all required technical data when it delivers the Cluster Study Agreement, Transmission 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.

### 7.3 Scope of Cluster Study

The Cluster Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Cluster Study will consider the Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Cluster Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but have executed an LGIA or requested the initiation of service under an unexecuted LGIA pursuant to Section 11.2 of this LGIP, subject to Dispute Resolution.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study shall use the level of Interconnection Service requested by Interconnection Customers in the Cluster, except where Transmission Provider otherwise determines that it must study the full Generating Facility Capacity due to safety or reliability concerns.

The Cluster Study will consist of power flow, stability, and short circuit analyses, the results of which are documented in a single Cluster Study Report, as applicable. At the conclusion of the Cluster Study, Transmission Provider shall issue a Cluster Study Report. The Cluster Study Report will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Cluster Study Report shall identify the Interconnection Facilities and Network Upgrades expected to be required to reliably interconnect the Generating Facilities in that Cluster Study at the requested Interconnection Service level and shall provide non-binding cost estimates for required Network Upgrades. The Cluster Study Report shall identify each Interconnection Customer’s estimated allocated costs for Interconnection Facilities and Network Upgrades pursuant to the method in Section 4.2.1 of this LGIP. Transmission Provider shall hold an open stakeholder meeting pursuant to Section 7.4 of this LGIP.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study shall 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 Transmission Provider determines

that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. Transmission 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 Transmission Provider. As determined by Transmission Provider, Interconnection Customer may be subject to testing and validation of those control technologies consistent with Article 6 of the LGIA.

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

### 7.4 Cluster Study Procedures

Transmission Provider shall coordinate the Cluster Study with any Affected System Operator that is affected by the Interconnection Request pursuant to Section 3.6 of this LGIP. Transmission Provider shall utilize existing studies to the extent practicable when it performs the Cluster Study. Interconnection Requests for a Cluster Study may be submitted only within the Cluster Request Window and Transmission Provider shall initiate the Cluster Study Process pursuant to Section 7 of this LGIP.

Transmission Provider shall use Reasonable Efforts to deliver a completed Cluster Study Report within one hundred fifty (150) Calendar Days of the close of the Customer Engagement Window.

Within thirty (30) Calendar Days of simultaneously furnishing a Cluster Study Report to each Interconnection Customer within the Cluster and posting such report on OASIS, Transmission Provider shall convene a Cluster Study Report Meeting.

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Cluster Study, Transmission Provider shall notify Interconnection Customers as to the schedule status of the Cluster Study. If Transmission Provider is unable to complete the Cluster Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases

for the Cluster Study, subject to confidentiality arrangements consistent with Section 13.1 of this LGIP.

### 7.5 Cluster Study Restudies

(1) Within twenty (20) Calendar Days after the Cluster Study Report Meeting, Interconnection Customer must provide the following:

(a) Demonstration of continued Site Control pursuant to Section 3.4.2(iii) of this LGIP; and

(b) An additional deposit that brings the total Commercial Readiness Deposit submitted to Transmission 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 Transmission Provider. Transmission Provider shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 3.7 of this LGIP.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 3.4.2(iii) of this LGIP. Upon Transmission Provider determining that Interconnection Customer no longer satisfies the Site Control requirement, Transmission Provider shall notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to Transmission Provider's approval, not to be unreasonably withheld. Absent such demonstration, Transmission Provider shall deem the subject Interconnection Request withdrawn pursuant to Section 3.7 of this LGIP.

(2) If no Interconnection Customer withdraws from the Cluster after completion of the Cluster Study or Cluster Restudy or is deemed withdrawn pursuant to Section 3.7 of this LGIP after completion of the Cluster Study or Cluster Restudy, Transmission Provider shall notify Interconnection Customers in the Cluster that a Cluster Restudy is not required.

(3) If one or more Interconnection Customers withdraw from the Cluster or are deemed withdrawn pursuant to Section 3.7 of this LGIP, Transmission Provider shall determine if a Cluster Restudy is necessary within forty five (45) Calendar Days after the Cluster Study Report Meeting. If Transmission Provider determines a Cluster Restudy is not necessary, Transmission Provider shall

notify Interconnection Customers in the Cluster that a Cluster Restudy is not required and Transmission Provider shall provide an updated Cluster Study Report within thirty (30) Calendar Days of such determination.

(4) If one or more Interconnection Customers withdraws from the Cluster or is deemed withdrawn pursuant to Section 3.7 of this LGIP, and Transmission Provider determines a Cluster Restudy is necessary as a result, Transmission Provider shall notify Interconnection Customers in the Cluster and post on OASIS that a Cluster Restudy is required within forty five Calendar Days after the Cluster Study Report Meeting. Transmission Provider shall continue with such restudies until Transmission Provider determines that no further restudies are required. If an Interconnection Customer withdraws or is deemed withdrawn pursuant to Section 3.7 of this LGIP during the Interconnection Facilities Study, or after other Interconnection Customers in the same Cluster have executed LGIAs (or have requested that service commence under unexecuted LGIAs), and Transmission Provider determines a Cluster Restudy is necessary, the Cluster shall be restudied. If a Cluster Restudy is required due to a higher queued project withdrawing from the queue, or a modification of a higher or equally queued project subject to Section 4.4 of this LGIP, Transmission Provider shall so notify affected Interconnection Customers in writing. Except as provided in Section 3.7 of this LGIP in the case of withdrawing Interconnection Customers, any cost of Restudy shall be borne by Interconnection Customers being restudied.

(5) The scope of any Cluster Restudy shall be consistent with the scope of an initial Cluster Study pursuant to Section 7.3 of this LGIP. Transmission Provider shall use Reasonable Efforts to deliver a completed Cluster Restudy within one hundred fifty (150) Calendar Days of Transmission Provider informing Interconnection Customers in the Cluster that restudy is needed. The results of the Cluster Restudy shall be combined into a single report (Cluster Restudy Report). Transmission Provider shall hold a meeting with Interconnection Customers in the Cluster (Cluster Restudy Report Meeting) within thirty (30) Calendar Days of simultaneously furnishing the Cluster Restudy Report to each Interconnection Customer in the Cluster Restudy and publishing the Cluster Restudy Report on OASIS.

If additional restudies are required, Interconnection Customer and Transmission Provider shall follow the procedures of this Section 7.5 of

this LGIP until such time that Transmission Provider determines that no further restudies are required. Transmission Provider shall notify each Interconnection Customer within the Cluster when no further restudies are required.

## Section 8. Interconnection Facilities Study

### 8.1 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Cluster Study Report, or Cluster Restudy Report if applicable, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 3 to this LGIP. Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Within fifteen (15) Calendar Days following the Cluster Report Meeting or Cluster Restudy Report Meeting if applicable, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Transmission 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 Transmission Provider in accordance with Section 3.4.2 of this LGIP; and

(3) an additional deposit that brings the total Commercial Readiness Deposit submitted to Transmission Provider to ten percent (10%) of 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 Transmission Provider. Transmission Provider shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 3.7 of this LGIP.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 3.4.2(iii) of this LGIP. Upon Transmission Provider determining separately that Interconnection Customer no longer satisfies the Site Control requirement, Transmission Provider shall notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with

the applicable requirement subject to Transmission Provider's approval, not to be unreasonably withheld. Absent such demonstration, Transmission Provider shall deem the subject Interconnection Request withdrawn pursuant to Section 3.7 of this LGIP.

### 8.2 Scope of Interconnection Facilities Study

The Interconnection Facilities Study shall be specific to each Interconnection Request and performed on an individual, i.e., non-clustered, basis. The Interconnection Facilities Study shall specify and provide a non-binding estimate of the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster Study Report (and any associated restudies) in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facilities to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Provider's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The 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 Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise require the use of different operating assumptions.

### 8.3 Interconnection Facilities Study Procedures

Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System Operator pursuant to Section 3.6 of this LGIP. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study Report to Interconnection Customer within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days after receipt of an executed Interconnection Facilities Study Agreement, with no more than a +/- 20 percent cost estimate contained in the report; or one hundred eighty (180) Calendar Days, if Interconnection Customer requests a +/- 10 percent cost estimate.

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

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

### 8.4 Meeting with Transmission Provider

Within fifteen (15) Calendar Days of providing a draft Interconnection Facilities Study Report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

### 8.5 Restudy

If Re-Study of the Interconnection Facilities Study is required due to a higher or equally queued project withdrawing from the queue or a modification of a higher or equally queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Transmission Provider shall use Reasonable Efforts to ensure that such restudy takes no longer than sixty (60) Calendar Days from the date of notice. Except as provided in Section 3.7 of this LGIP in the case of withdrawing Interconnection Customers, any cost of Re-Study shall be borne by Interconnection Customer being restudied.

## Section 9. Affected System Study

### 9.1 Applicability

This Section 9 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 Transmission Provider's Transmission System.

### 9.2 Response to Notifications

#### 9.2.1 Response to Initial Notification

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

#### 9.2.2 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 9 of this LGIP 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 9 of this LGIP.

### 9.3 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 shall 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 shall be higher-queued than any Cluster that has not yet received its Cluster Study Report and shall be lower-queued than any Cluster that has already received its Cluster Study Report. Consistent with Section 9.7 of this LGIP, Transmission Provider shall study the Affected System Interconnection Customer(s) via Clustering, and all Affected System Interconnection Customers studied in the same Cluster under Section 9.7 of this LGIP shall be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position shall have no bearing on the assignment of Affected System Network Upgrades identified in the applicable Affected System Study. The costs of the Affected System Network Upgrades shall be allocated among the Affected System Interconnection Customers in accordance with Section 9.9 of this LGIP.

### 9.4 Affected System Study Agreement/Multiparty Affected System Study Agreement

Unless otherwise agreed, Transmission Provider shall provide to Affected System Interconnection Customer(s) an Affected System Study Agreement/Multiparty Affected System Study Agreement, in the form of Appendix 9 or Appendix 10 to this LGIP, as applicable, within ten (10) Business Days of Transmission Provider sharing the schedule for the Affected System Study per Section 9.2.1 of this LGIP.

Upon Affected System Interconnection Customer(s)' receipt of the Affected System Study Report, Affected System Interconnection Customer(s) shall 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 shall be paid by or refunded to the Affected System Interconnection Customer(s). Any invoices for the Affected System Study shall include a detailed and itemized accounting of the cost of the study. Affected System Interconnection Customer(s) shall pay any excess costs beyond the already-paid Affected System Study deposit or be reimbursed for any costs collected over the actual cost of the Affected System Study within ninety (90) Calendar Days of receipt of an invoice thereof. If Affected System Interconnection Customer(s) fail to pay such undisputed costs within the time allotted, it shall lose its Affected System Queue Position. Transmission Provider shall notify Affected System Interconnection Customer's host transmission provider of such failure to pay.

### 9.5 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement

Affected System Interconnection Customer(s) shall execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement to 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 9.2.2 of this LGIP, 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 shall notify the deficient Affected System Interconnection Customer, as well as 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 shall cure the technical deficiency within ten (10) Business Days of receipt of the notice: provided, however, that such deficiency does not include failure to deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement or deposit for the Affected System Study Agreement/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not cure the technical data deficiency within the cure period or fails to execute the Affected System Study Agreement/Multiparty Affected System Study Agreement or provide the deposit, the Affected System Interconnection Customer shall lose its Affected System Queue Position.

### 9.6 Scope of Affected System Study

The Affected System Study shall evaluate the impact that any Affected System Interconnection Customer’s proposed interconnection to another transmission provider’s transmission system will have on the reliability of Transmission Provider’s Transmission System. The Affected System Study shall consider the Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Affected System Network Upgrades associated with such higher-queued Interconnection Request) that, on the date the Affected System Study is commenced: (i) are directly

interconnected to Transmission Provider's Transmission 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 Transmission Provider's Transmission System; and (iv) have no queue position but have executed an LGIA or have requested that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP. Transmission Provider has no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.

The Affected System Study shall consist of a power flow, stability, and short circuit analysis. The Affected System Study Report will: state the assumptions upon which it is based; state the results of the analyses; and provide the potential impediments to Affected System Interconnection Customer's receipt if 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 shall consider the level of interconnection service requested in megawatts by Affected System Interconnection Customer, unless otherwise required to study the full generating facility capacity due to safety or reliability concerns. The Affected System Study Report shall provide a list of facilities that are required as a result of Affected System Interconnection Customer's proposed interconnection to another 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.

### 9.7 Affected System Study Procedures

Transmission Provider shall use Clustering in conducting the Affected System Study and shall use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Cluster may cause the need for Affected System Network Upgrades. Transmission Provider shall complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s) 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 shall 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 shall notify Affected System Interconnection Customer(s), as well as transmission provider with which Affected System Interconnection Customer seeks to interconnect, and shall provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Affected System Interconnection Customer(s) with all supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Affected System Study, subject to confidentiality arrangements consistent with Section 13.1 of this LGIP.

Transmission Provider must study an Affected System Interconnection Customer using the Energy Resource Interconnection Service modeling standard used for Interconnection Requests on its own Transmission System, 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.

### 9.8 Meeting with Transmission Provider

Within ten (10) Business Days of providing the Affected System Study Report to Affected System Interconnection Customer(s), Transmission Provider and Affected System Interconnection Customer(s) shall meet to discuss the results of the Affected System Study.

### 9.9 Affected System Cost Allocation

Transmission Provider shall allocate Affected System Network Upgrade costs identified during the Affected System Study to Affected System Interconnection Customer(s) using a proportional impact method, consistent with Section 4.2.1(1)(b) of this LGIP.

### 9.10 Tender of Affected Systems Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement

Transmission Provider shall tender to Affected System Interconnection Customer(s) an Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, as applicable, in the form of Appendix 11 or 12 to this LGIP, 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 service to commence under an unexecuted agreement pursuant to Section 11.2 of this LGIP.

Transmission Provider shall execute the agreement (or commence service under an unexecuted agreement) 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 initiating service under an unexecuted agreement, shall result in the loss of its Affected System Queue Position.

### 9.11 Restudy

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

## Section 10. Optional Interconnection Study

### 10.1 Optional Interconnection Study Agreement

On or after the date when Interconnection Customer receives Cluster Study results, Interconnection Customer may request, and Transmission Provider shall perform a reasonable number of Optional Interconnection Studies. The request shall describe the assumptions that Interconnection Customer wishes Transmission Provider to study within the scope described in Section 10.2 of this LGIP. Within fifteen (15) Calendar Days after receipt of a request for an Optional Interconnection Study, Transmission Provider shall provide to Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 4.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that Interconnection Customer must provide for each phase of the Optional Interconnection Study, (ii) specify Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case and assumptions as to the type of interconnection service for Interconnection Requests remaining in the Optional Interconnection Study case, and (iii) Transmission Provider's estimate of the cost of the Optional Interconnection Study. To the extent known by Transmission Provider, such estimate shall include any costs expected to be incurred by any Affected System Operator whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, Transmission Provider shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the technical data and a $10,000 deposit to Transmission Provider.

### 10.2 Scope of Optional Interconnection Study

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or Interconnection Service based upon the results of the Optional Interconnection Study. The Optional Interconnection Study shall be performed solely for informational purposes. Transmission Provider shall use Reasonable Efforts to coordinate the study with any Affected Systems that may be affected by the types of Interconnection Services that are being studied.

### 10.3 Optional Interconnection Study Procedures

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to Transmission Provider within ten (10) Business Days of Interconnection Customer receipt of the Optional Interconnection Study Agreement. Transmission Provider shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If Transmission Provider is unable to complete the Optional Interconnection Study within such time period, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to Transmission Provider or refunded to Interconnection Customer, as appropriate. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

## Section 11. Standard Large Generator Interconnection Agreement (LGIA)

### 11.1 Tender

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study Report within thirty (30) Calendar Days of receipt of the report. Within thirty (30) Calendar Days after the comments are submitted or after Interconnection Customer notifies Transmission

Provider that it will not provide comments, Transmission Provider shall tender a draft LGIA, together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of Transmission Provider's standard form LGIA, which is in Appendix 5. Interconnection Customer shall execute and return the LGIA and completed draft appendices within thirty (30) Calendar Days, unless (1) the sixty (60) Calendar Day negotiation period under Section 11.2 of this LGIP has commenced, or (2) LGIA execution, or commencement of service under an unexecuted LGIA, has been delayed to await the Affected System Study Report pursuant to Section 11.2.1 of this LGIP.

## 11.2 Negotiation

Notwithstanding Section 11.1, at the request of Interconnection Customer, Transmission Provider shall begin negotiations with Interconnection Customer concerning the appendices to the LGIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft LGIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study Report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft LGIA pursuant to Section 11.1 and after the request to commence service under an unexecuted LGIA, subject to Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request the initiation of service under the unexecuted LGIA and the initiation of Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the LGIA, or requested service under an unexecuted LGIA and initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final LGIA within thirty (30) Calendar Days after the completion of the negotiation process.

### 11.2.1 Delay in LGIA Execution, or Request for an Unexecuted LGIA, to Await Affected System Study Report

If Interconnection Customer has not received its Affected System Study Report from the Affected System Operator prior to the date that it would be required to execute its LGIA pursuant to Section 11.1 of this LGIP (or request that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP),

Transmission Provider shall, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report. If Interconnection Customer, after delaying LGIA execution (or delaying request to commence service under an unexecuted LGIA) while awaiting the Affected System Study Report, decides to proceed to LGIA execution, or requests that service commence under an unexecuted LGIA, without those results, it may notify Transmission Provider of its intent to proceed with LGIA execution pursuant to Section 11.1 of this LGIP (or its request that service commence under an unexecuted LGIA pursuant to Section 11.2 of this LGIP). If Transmission Provider determines that further delay to the LGIA execution date would cause a material impact on the cost or timing of an equal- or lower-queued Interconnection Customer, Transmission Provider must notify Interconnection Customer of such impacts and set the deadline to execute the LGIA (or to request that service commence under an unexecuted LGIA) to thirty (30) Calendar Days after such notice is provided.

### 11.3 Execution

Simultaneously with submitting the executed LGIA to Transmission Provider, or within ten (10) Business Days after Interconnection Customer requests that Transmission Provider commence service under an unexecuted LGIA, Interconnection Customer shall provide Transmission Provider with the following: (1) demonstration of continued Site Control pursuant to Section 8.1(2) of this LGIP; and (2) the LGIA Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the draft LGIA minus the total amount of Commercial Readiness Deposits that Interconnection Customer has provided to Transmission Provider for its Interconnection Request. Transmission Provider shall use LGIA Deposit as (or as a portion of) Interconnection Customer's security required under LGIA Article 11.5. Interconnection Customer may not request to suspend its LGIA under LGIA Article 5.16 until Interconnection Customer has provided (1) and (2) to Transmission Provider. If Interconnection Customer fails to provide (1) and (2) to Transmission Provider within the thirty (30) Calendar Days allowed for returning the executed LGIA and appendices under LGIP Section 11.1, or within ten (10) Business Days after Interconnection Customer requests that Transmission Provider commence service under an unexecuted LGIA pursuant to Section 11.2 of this LGIP, the Interconnection Request will be deemed withdrawn pursuant to Section 3.7 of this LGIP.

At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development

of the Large Generating Facility, at Interconnection Customer election, has been achieved: (unless such milestone is inapplicable due to the characteristics of the Generating Facility): (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Large Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Large Generating Facility; or (v) application for an air, water, or land use permit.

Interconnection Customer shall either: (i) execute two originals of the tendered LGIA and return them to Transmission Provider; or (ii) submit a written request to initiate Dispute Resolution procedures pursuant to Section 13.5 of this LGIP. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending Dispute Resolution.

### 11.4 Commencement of Interconnection Activities

If Interconnection Customer executes the final LGIA, Transmission Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the LGIA. Upon submission of an unexecuted LGIA to Dispute Resolution, Interconnection Customer and Transmission Provider shall promptly comply with the unexecuted LGIA, subject to modification in Dispute Resolution.

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

### 12.1 Schedule

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

### 12.2 Construction Sequencing

#### 12.2.1 General

In general, the In-Service Date of an Interconnection Customers seeking interconnection to the Transmission System will determine the sequence of construction of Network Upgrades.

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

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

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

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

### 12.2.4 Amended Interconnection Cluster Study Report.

An Interconnection Cluster Study Report will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study report will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

## Section 13. Miscellaneous

### 13.1 Confidentiality

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

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

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

responsible for the costs associated with affording confidential treatment to its information.

### 13.1.1 Scope

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

### 13.1.2 Release of Confidential Information

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

### 13.1.3 Rights

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The

disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

### 13.1.4 No Warranties

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

### 13.1.5 Standard of Care

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

### 13.1.6 Order of Disclosure

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

### 13.1.7 Remedies

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction

or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 13.1.

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

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

**13.1.9** Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information (“Confidential Information”) shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the

Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIP or as a transmission service provider or a Balancing Authority Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

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

### 13.2 Delegation of Responsibility

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

### 13.3 Obligation for Study Costs

In the event an Interconnection Customer withdraws its Interconnection Request prior to the commencement of the Cluster Study, Interconnection Customer must pay Transmission Provider the actual costs of processing its Interconnection Request. In the event an Interconnection Customer withdraws after the commencement of the Cluster Study, Transmission Provider shall charge, and Interconnection Customer shall pay, the actual

costs of the Interconnection Studies. The costs of any interconnection study conducted on a clustered basis shall be allocated among each Interconnection Customer within the cluster as follows: (1) fifty percent (50%) of the applicable study costs to Interconnection Customers on a per capita basis based on number of Interconnection Requests included in the applicable Cluster; and (2) fifty percent (50%) of the applicable study costs to Interconnection Customers on a pro rata basis based on requested megawatts included in the applicable Cluster.

Any difference between the study deposit and the actual cost of the Interconnection Studies shall be paid by or refunded to, except as otherwise provided herein, Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Cluster prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefor. If Interconnection Customer fails to pay such undisputed costs within the time allotted, its Interconnection Request shall be deemed withdrawn from the Cluster Study Process and will be subject to Withdrawal Penalties pursuant to Section 3.7 of this LGIP.

### 13.4 Third Parties Conducting Studies

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.3 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the LGIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer’s pending

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

## 13.5 Disputes

### 13.5.1 Submission

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, this LGIP, or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may be resolved in accordance with the formal Dispute Resolution procedures set forth below.

### 13.5.2 Formal Dispute Resolution Procedures

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

### 13.5.3 Non-Binding Arbitration Decisions

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a non-binding decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the LGIA and LGIP and shall have no power to modify or change any provision of the LGIA and LGIP in any manner. The decision of the arbitrator(s) shall be presented to Colorado Springs Utilities' Regulatory Authority for issuance of a resolution that is binding upon the Parties.

### 13.5.4 Costs

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

arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

#### 13.5.5 Rights Under The Law

If the attempted informal Dispute Resolution fails or the formal Dispute Resolution process is not undertaken, either Party may exercise whatever rights and remedies it may have in equity or law.

### 13.6 Tax Exempt Bonds

#### 13.6.1 Facilities Financed by Tax Exempt Bonds

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any 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, and shall not be obligated to provide the requested interconnection service.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of Transmission Provider's Tariff.

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

1. The undersigned Interconnection Customer submits this request to interconnect its Large Generating Facility with Transmission Provider's Transmission System pursuant to Transmission Provider's Tariff.

2. This Interconnection Request is for (check one):

   _____ A proposed new Large Generating Facility.

   _____ An increase in the generating capacity or a Material Modification of an existing Generating Facility.

3. The type of interconnection service requested (check one):

   _____ Energy Resource Interconnection Service

   _____ Network Resource Interconnection Service

4. _____ Check here only if Interconnection Customer requesting Network Resource Interconnection Service also seeks to have its Generating Facility studied for Energy Resource Interconnection Service.

5. Interconnection Customer provides the following information:

   a. Address or location or the proposed new Large Generating Facility site (to the extent known) or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;

   b. Maximum summer at ____ degrees C and winter at ____degrees C megawatt electrical output of the proposed new Large Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;

   c. General description of the equipment configuration;

   d. Commercial Operation Date (Day, Month, and Year);

   e. Name, address, telephone number, and e-mail address of Interconnection Customer's contact person;

f. Approximate location of the proposed Point of Interconnection (optional);

g. Interconnection Customer Data (set forth in Attachment A, B, C, and/or D);

h. Primary frequency response operating range for electric storage resources;

i. Requested capacity (in MW) of Interconnection Service (if lower than the Generating Facility Capacity);

6. Applicable study and Commercial Readiness deposit amounts as specified in Transmission Provider's LGIP.

7. Evidence of Site Control as specified in Transmission Provider' LGIP (check one)

_____ Is attached to this Interconnection Request

_____ Will be provided at a later date in accordance with this LGIP (if selected, provide affidavit, documentation, and Site Control deposit amount as specified in the LGIP)

8. This Interconnection Request shall be submitted to the representative indicated below:

[To be completed by Transmission Provider]

9. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

10. This Interconnection Request is submitted by:

Name of Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

**Attachment A to Appendix 1**
**Interconnection Request**

**GENERATING FACILITY DATA**
**WIND PROJECT GENERATION FACILITY**
**APPLICATIONS**

1. **One-line Diagram**. Should be similar to Figure 1 shown on this Attachment. Please include as separate attachment.

2. **Interconnection Transmission Line**.

   - Line voltage = ____ kV
   - Line Conductor Size = _____ kcmil _____ (Type ACSR, etc.) _____ (# Cond per Phase)
   - Line Length = _____ miles
   - Line Thermal Rating = _____ MVA _____ Amps @ _____ @ Cond Temp (deg C)
   - R = _____ Ohm or _____ pu on 100 MVA and line kV base (positive sequence)
   - X = _____ Ohm or _____ pu on 100 MVA and line kV base (positive sequence)
   - B = _____ µmho or _____ pu on 100 MVA and line kV base

3. **Main Substation Transformer**. (NOTE: If there are multiple transformers, data for each transformer should be provided. If final impedance data is not known at this time, the IC should supply typical data for use in completing the short-circuit portion of the Cluster Studies.)

   - Rating (ONAN/ONAF1/ONAF2): _____/_____/_____ MVA / MVA / MVA
   - Nominal Voltage for each winding (Low/High/Tertiary): _____/_____/_____ kV / kV / kV
   - Winding Connections (Low/High/Tertiary): _____/_____/_____ (e.g. Delta, Wye-gnd)
   - HV DETC (NLTC), LTC or None: _____ Available Taps: _____ Operating Tap: _____ kV
   - Impedances: HV-LV, HV-TV, LV-TV, assuming 3-winding design, in per-unit on transformer self-cooled (ONAN) MVA Base Rating:

   ○ Positive sequence Z1: HV-LV: R1: _____ X1: _____ pu

   HV-TV: R1: _____ X1: _____ pu

   LV-TV: R1: _____ X1: _____ pu

   ○ Zero sequence Z0: HV-LV: R0: _____ X0: _____ pu

HV-TV: R0: _____ X0: _____ pu

LV-TV: R0: _____ X0: _____ pu

4. **Collector System Equivalent Model**. IC may apply the equivalent methodology described in Section 3.4 of the WECC WPP Power Flow Modeling Guide.

- Collector system voltage = _____ kV Equiv. Collector System Thermal Rating _____ MVA
- R = _____ ohm or _____ pu on 100 MVA and collector kV base
- X = _____ ohm or _____ pu on 100 MVA and collector kV base
- B = _____ µmho or _____ pu on 100 MVA and collector kV base

**NOTE:** Please include an electrical system one-line diagram showing the collector system equivalences.

**NOTE:** Typical collector system equivalent impedances are shown in the following table and will be used if actual collector system data is not supplied by the IC.

**Typical Collector System Equivalent Impedance Data**:

| Plant Size (MW Total) | Collector Voltage | Feeder Ckt Make-up | R (pu) | X (pu) | B (pu) |
|---|---|---|---|---|---|
| 100 MW | 34.5 kV | A11 UG | 0.017 | 0.014 | 0.030 |
| 100 MW | 34.5 kV | 67% UG/ 33% OH | 0.018 | 0.079 | 0.030 |
| 200 MW | 34.5 kV | Mostly UG / Some OH | 0.007 | 0.025 | 0.055 |
| 300 MW | 34.5 kV | Mostly UG / Some OH | 0.005 | 0.020 | 0.085 |

* Per Unit (pu) values are on a 100 MVA base, and collector system kV base (34.5 kV).

5. **Wind-Turbine Generator (WTG) Step-Up Transformer**. These are typically two-winding air-cooled transformers. If the proposed project contains different types or sizes of pad-mounted transformers, please provide data for each type.

- Rating: _____ MVA
- Nominal Voltage for each winding (Low/High): _____/_____ kV
- Winding Connections: _____/_____ (Delta, Wye, Wye grounded)
- Available Taps: _____ (please indicate fixed or DETC), Operating Tap: _____ kV
- Positive sequence impedance (Z1): _____ %, _____ X/R on transformer self-cooled MVA
- Zero sequence impedance (Z0): _____ %, _____ X/R on transformer self-cooled MVA

6. **WTG Power Flow Data**. Proposed projects may include one or more WTG Types (See Note 6.1 below). Please provide the following information for each:

- Number of WTGs: _____
- Nameplate Rating (each WTG): _____ MW
- WTG Manufacturer and Model: _____
- WTG Type: (Type 1, 2, 3 or 4; see Notes 6.1 and 6.2 below)
- Minimum Short Circuit Ratio (SCR) for WTG operation: _____

**For Type 1 or Type 2 WTGs**:

- Uncompensated power factor at full load: _____
- Power factor correction capacitors at full load (total MVAR): _____ MVAR or “None”
- Number of shunt cap stages: _____
- MVAR rating of each stage: _____ MVAR
- Please attach capability curve describing reactive power or power factor range from zero (0) to full output, including the effect of shunt compensation.

**For Type 3 and Type 4 WTGs:**

- Maximum (uncompensated) over-excited power factor (producing MVAR) at full load: _____
- Maximum (uncompensated) under-excited power factor (absorbing MVAR at full load: _____
- Control mode: _____ (voltage control, fixed power factor) (See Note 6.2)
- Please attach capability curve describing reactive power or power factor range from zero (0) to full output, including the effect of shunt compensation.

**NOTE 6.1:** WTG Type can be one of the following:

- 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

**NOTE 6.2:** Type 1 and Type 2 WTGs typically operate on **fixed power factor** mode over a wide range of output, aided by turbine-side power factor correction capacitors (shunt compensation). With a suitable plant-level controller, Type 3 and Type 4 WTGs may be capable of dynamically varying power factor to contribute **to voltage control**, if required by the utility. However, this feature is not always available. The data requested must reflect the WTG capability that can be used in practice. Please consult with the manufacturer when in doubt. The interconnection study will determine the voltage control requirements for the project. WTG reactive capability data can significantly impact study results and plant-level reactive compensation requirements.

7. **Wind Farm Reactive Power Compensation**. Provide the following wind farm reactive compensation, if applicable, to supplement generator(s) reactive capability in order to meet Transmission Provider's (TP) reactive capability criteria:

   - Individual shunt capacitor quantity and size of each: _____ x _____ MVAR
   - Individual shunt reactor quantity and size of each: _____ x _____ MVAR
   - Dynamic reactive control device, (SVC, STATCOM): _____
   - Control range _____ MVAR (lead and lag)
   - Control mode (line drop, voltage droop, voltage control): _____
   - Regulation point _____ (i.e. reference bus voltage / name)

8. **Wind-Turbine Generator (WTG) Dynamic Data**. 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 WECC-approved and in an approved WECC format, specifically in GE PSLF software compatible electronic file formats that are acceptable to the Transmission Provider, that corresponds to Interconnection Customer's Large Generating Facility; and (3) if applicable, a validated electromagnetic transient model if Transmission Provider performs an electromagnetic transient study as part of the interconnection study process. A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and

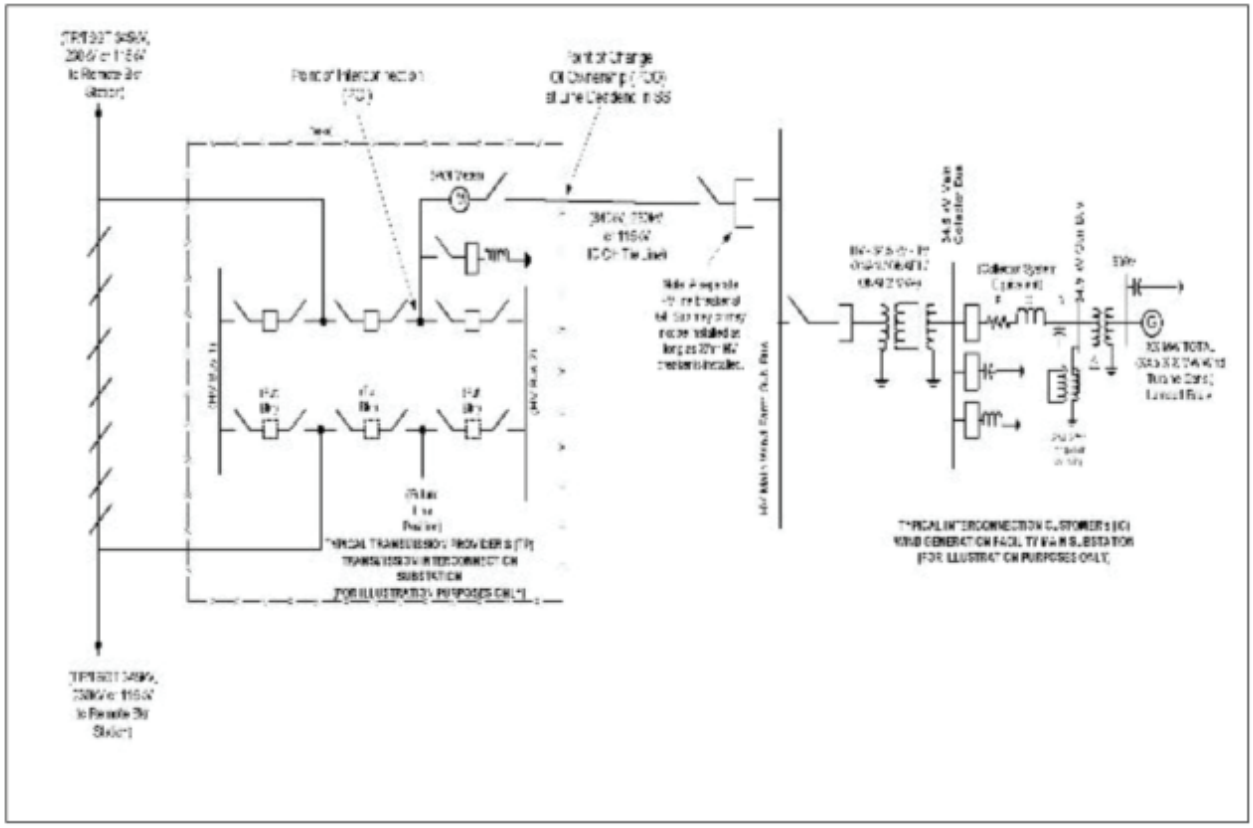
represents the entities' control strategies but does not necessarily correspond to any generic library model. Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (e.g., an attestation from Interconnection Customer that the model accurately represents the entire Large Generating Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Large Generating Facility; or test data).

- Library model name: _____
- Model type (standard library): _____
- Model access (proprietary or non-proprietary): _____
- Attach full model description and parameter data.

9. **WTG Short-Circuit Model Data**. Model data required for short-circuit analysis is specific to each WTG Inverter make and model. All data should be provided in per-unit ohms, on the equivalent inverter MVA base.

- Inverter Equivalent MVA Base: _____ MVA
- Short-Circuit Equivalent Pos. Seq. Resistance (R1), valid for initial 4 to 6 cycles: __pu
- Short-Circuit Equivalent Pos. Seq. Reactance (XL1), valid for initial 4 to 6 cycles:__pu
- Short-Circuit Equivalent Neg. Seq. Resistance (R2), valid for initial 4 to 6 cycles: __pu
- Short-Circuit Equivalent Neg. Seq. Reactance (XL2), valid for initial 4 to 6 cycles:__pu
- Short-Circuit Equivalent Zero Seq. Resistance (R0), valid for initial 4 to 6 cycles: __pu
- Short-Circuit Equivalent Zero Seq. Reactance (XL0), valid for initial 4 to 6 cycles:__pu
- Special notes regarding short-circuit modeling assumptions: _____

## Figure 1 (Sample Generation Facility (GF) Interconnection One-Line Diagram)



## Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| pvd1 | | PVD1 | Distributed PV system model |
| der_a | DERAU1 | DER_A | Distributed energy resource model |
| regc_a | REGCAU1, REGCA1 | REGC_A | Generator/converter model |
| regc_b | REGCBU1 | REGC_B | Generator/converter model |
| wt1g | WT1G1 | WT1G and WT1G1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| wt2g | WT2G1 | WT2G and WT2G1 | Generator model for generic Type-2 wind turbines |
| wt2e | WT2E1 | WT2E and WT2E1 | Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g |
| reec_a | REECAU1, REECA1 | REEC_A | Renewable energy electrical control model |
| reec_c | REECCU1 | REEC_C | Electrical control model for battery energy storage system |
| reec_d | REECDU1 | REEC_D | Renewable energy electrical control model |
| wt1t | WT12T1 | WT1T and WT12T1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt1p_b | wt1p_b | WT12A1U_B | Generic wind turbine pitch controller for WTGs of Types 1 and 2 |
| wt2t | WT12T1 | WT2T | Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance) |
| wtgt_a | WTDTAU1, WTDTA1 | WTGT_A | Wind turbine drive train model |
| wtga_a | WTARAU1, WTARA1 | WTGA_A | Simple aerodynamic model |
| wtgp_a | WTPTAU1, WTPTA1 | WTGPT_A | Wind Turbine Generator Pitch controller |
| wtgq_a | WTTQAU1, WTTQA1 | WTGTRQ_A | Wind Turbine Generator Torque controller |
| wtgwgo_a | WTGWGOAU | WTGWGO_A | Supplementary control model for Weak Grids |
| wtgibffr_a | WTGIBFFRA | WTGIBFFR_A | Inertial-base fast frequency response control |
| wtgp_b | WTPTBU1 | WTGPT_B | Wind Turbine Generator Pitch controller |
| wtgt_b | WTDTBU1 | WTGT_B | Drive train model |
| repc_a | Type 4: REPCAU1 (v33), REPCA1 (v34)<br><br>Type 3: REPCTAU1 | REPC_A | Power Plant Controller |

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

## Attachment B to Appendix 1
## Interconnection Request

## GENERATING FACILITY DATA
## SOLAR PHOTOVOLTAIC (PV) GENERATION FACILITY APPLICATIONS

1. One-line Diagram. Should be similar to Figure 1 shown on this Attachment. Please include as separate attachment.

2. Interconnection Transmission Line.

   - Line voltage = _____ kV
   - Line Conductor Size = _____ kcmil _____ (Type ACSR, etc.) _____ (# Cond per Phase)
   - Line Length = _____ miles
   - Line Thermal Rating = _____ MVA Amps @ _____ @ Cond Temp (deg C)
   - R = _____ Ohm or _____ pu on 100 MVA and line kV base (positive sequence)
   - X = _____ Ohm or _____ pu on 100 MVA and line kV base (positive sequence)
   - B = _____ μmho or _____ pu on 100 MVA and line kV base

3. **Main Substation Transformer**. (NOTE: If there are multiple transformers, data for each transformer should be provided. If final impedance data is not known at this time, the IC should supply typical data for use in completing the short-circuit portion of the Cluster Studies.)

   - Rating (ONAN/ONAF1/ONAF2): _____/_____/_____ MVA / MVA / MVA
   - Nominal Voltage for each winding (Low/High/Tertiary): _____/_____/_____ kV / kV / kV
   - Winding Connections (Low/High/Tertiary): _____/_____/_____ (e.g. Delta, Wye-gnd)
   - HV DETC (NLTC), LTC or None: Available Taps: _____ Operating Tap: _____ kV Impedances: HV-LV, HV-TV, LV-TV, assuming 3-winding design, in per-unit on transformer self-cooled (ONAN) MVA Base Rating:

     ○ Positive sequence Z1: HV-LV: R1: _____ X1: _____ pu

     HV-TV: R1: _____ X1: _____ pu

     LV-TV: R1: _____ X1: _____ pu

     ○ Zero sequence Z0: HV-LV: R0: _____ X0: _____ pu

     HV-TV: R0: _____ X0: _____ pu

     LV-TV: R0: _____ X0: _____ pu

4. **Collector System Equivalent Model**. This can be found by applying the equivalent methodology described in Section 3.4 of the WECC WPP Power Flow Modeling Guide.

- Generation Level 1
  - Collector system voltage = _____ kV Equiv. Collector System Thermal Rating _____ MVA
  - R = _____ ohm or _____ pu on 100 MVA and collector kV base
  - X = _____ ohm or _____ pu on 100 MVA and collector kV base
  - B = _____ μmho or _____ pu on 100 MVA and collector kV base
- Generation Level 2
  - Collector system voltage = _____ kV Equiv. Collector System Thermal Rating _____ MVA
  - R = _____ ohm or _____ pu on 100 MVA and collector kV base
  - X = _____ ohm or _____ pu on 100 MVA and collector kV base
  - B = _____ μmho or _____ pu on 100 MVA and collector kV base

**NOTE:** Please include an electrical system one-line diagram, which includes the collector system equivalences.

**NOTE**: Typical collector system equivalent impedances are shown in the following table and will be used if actual collector system data is not supplied by the IC.

**Typical Collector System Equivalent Impedance Data**:

| Plant Size (MW Total) | Collector Voltage | Feeder Ckt Make-up | R (pu) | X (pu) | B (pu) |
|---|---|---|---|---|---|
| 100 MW | 34.5 kV | A11 UG | 0.017 | 0.014 | 0.030 |
| 100 MW | 34.5 kV | 67% UG/ 33% OH | 0.018 | 0.079 | 0.030 |
| 200 MW | 34.5 kV | Mostly UG / Some OH | 0.007 | 0.025 | 0.055 |
| 300 MW | 34.5 kV | Mostly UG / Some OH | 0.005 | 0.020 | 0.085 |

* Per Unit (pu) values are on a 100 MVA base, and collector system kV base (34.5 kV).

5. **Solar PV Inverter Step-Up Transformer**. These are typically two-winding air-cooled transformers. If the proposed project contains different types or sizes of pad-mounted transformers, please provide data for each type.

- Rating: _____ MVA
- Nominal Voltage for each winding (Low/High): _____ /_____ kV
- Winding Connections: _____ /_____ (Delta, Wye, Wye grounded)
- Available Taps: _____ (please indicate fixed or DETC), Operating Tap: _____ kV
- Positive sequence impedance (Z1): _____ %, _____ X/R on transformer self-cooled MVA
- Zero sequence impedance (Z0): _____ %, _____ X/R on transformer self-cooled MVA

6. **PV Inverter Power Flow Data**.

- Number of Inverters: _____
- Nameplate Rating (each Inverter): _____ MW
- Inverter Manufacturer and Model: _____
- Inverter Type: _____
- Maximum (uncompensated) over-excited power factor (producing MVAR) at full load: _____
- Maximum (uncompensated) under-excited power factor (absorbing MVAR) at full load: _____
- Control mode: _____ (voltage control, fixed power factor) (See Note 6.1)
- Please attach capability curve describing reactive power or power factor range from zero (0) to full output, including the effect of shunt compensation.

**NOTE 6.1:** Unless otherwise noted by the IC, inverters are assumed to operate either on: (1) **fixed power factor** mode for a wide range of output, aided by power factor correction capacitors (shunt compensation); or (2) **voltage control** mode with a suitable plant-level controller. Voltage control operation is preferred by the Transmission Provider; however, this feature is not always available. The data requested must reflect the PV Inverter capability that can be used in practice. Please consult with the manufacturer when in doubt. The interconnection study will determine the voltage control requirements for the project. PV Inverter reactive capability data can significantly impact study results and plant-level reactive compensation requirements.

7. **PV Panel Power Flow Data**.

- Number of Panels: _____
- Nameplate Rating (each Panel): _____ MW
- Panel Manufacturer: _____

8. **PV Facility Reactive Power Compensation**. Provide the following for PV facility reactive compensation, if applicable, to supplement Invertor reactive capability in order to meet Transmission Provider's (TP) reactive capability criteria:

- Individual shunt capacitor quantity and size of each: _____ x _____ MVAR
- Individual shunt reactor quantity and size of each: _____ x _____ MVAR
- Dynamic reactive control device, (SVC, STATCOM)_____
- Control range_____ MVAR (lead and lag)
- Control mode (line drop, voltage droop, voltage control): _____
- Regulation point _____ (i.e. ref. bus voltage / name) _____
- Describe the overall reactive power control strategy: _____

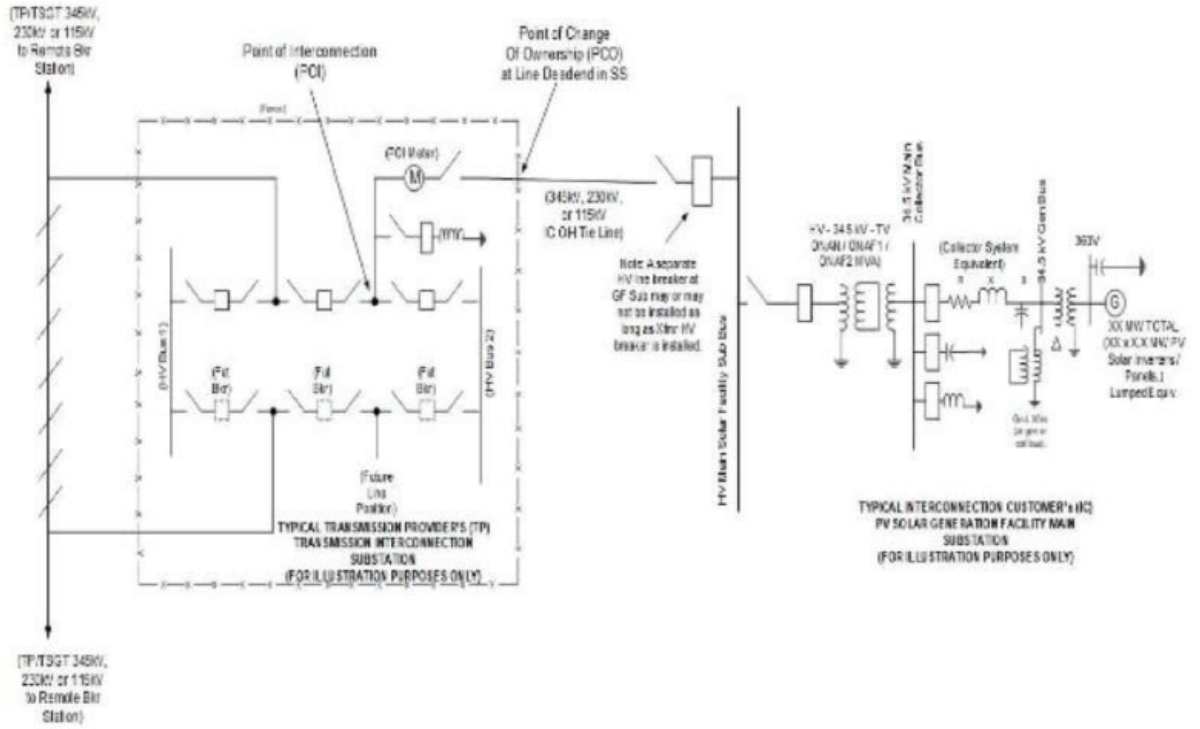
9. **PV Inverter Dynamic Data**. Interconnection Customer shall provide (1) a validated user-defined root mean squared (RMS) positive sequence dynamics model; (2) an appropriately parameterized generic library RMS positive sequence dynamics model, including model block diagram of the inverter control and plant control systems, as defined by the selection in Table 1 or a model otherwise WECC-approved and in an approved WECC format, specifically in GE PSLF software compatible electronic file formats that are acceptable to the Transmission Provider, that corresponds to Interconnection Customer's Large Generating Facility; and (3) if applicable, a validated electromagnetic transient model if Transmission Provider performs an electromagnetic transient study as part of the interconnection study process. A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and represents the entities' control strategies but does not necessarily correspond to any generic library model. Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (e.g., an attestation from Interconnection Customer that the model accurately represents the entire Large Generating Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Large Generating Facility; or test data).

- Library model name: _____
- Model type (standard library): _____
- Model access (proprietary or non-proprietary): _____
- Attach full model description and parameter data.

10. **PV Inverter Short-Circuit Model Data**. Model and parameter data required for short-circuit analysis is specific to each PV Inverter make and model. All data to be provided in per-unit ohms, on the equivalent inverter MVA base.

- Inverter Equivalent MVA Base: _____ MVA
- Short-Circuit Equivalent Pos. Seq. Resistance (R1), valid for initial 4 to 6 cycles: _____ pu
- Short-Circuit Equivalent Pos. Seq. Reactance (XL1), valid for initial 4 to 6 cycles: _____ pu
- Short-Circuit Equivalent Neg. Seq. Resistance (R2), valid for initial 4 to 6 cycles: _____ pu
- Short-Circuit Equivalent Neg. Seq. Reactance (XL2), valid for initial 4 to 6 cycles: _____ pu
- Short-Circuit Equivalent Zero Seq. Resistance (R0), valid for initial 4 to 6 cycles: _____ pu
- Short-Circuit Equivalent Zero Seq. Reactance (XL0), valid for initial 4 to 6 cycles: _____ pu
- Special notes regarding short-circuit modeling assumptions: _____

## Figure 1 (Sample Generation Facility (GF) Interconnection One-Line Diagram)




Typical PV Solar GF Project Interconnection One-Line Diagram – Electrical Lumped Model Equivalence diagram
(RAL-8-13-2013)

## Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| pvd1 | | PVD1 | Distributed PV system model |
| der_a | DERAU1 | DER_A | Distributed energy resource model |
| regc_a | REGCAU1, REGCA1 | REGC_A | Generator/converter model |
| regc_b | REGCBU1 | REGC_B | Generator/converter model |

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| wt1g | WT1G1 | WT1G and WT1G1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt2g | WT2G1 | WT2G and WT2G1 | Generator model for generic Type-2 wind turbines |
| wt2e | WT2E1 | WT2E and WT2E1 | Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g |
| reec_a | REECAU1, REECA1 | REEC_A | Renewable energy electrical control model |
| reec_c | REECCU1 | REEC_C | Electrical control model for battery energy storage system |
| reec_d | REECDU1 | REEC_D | Renewable energy electrical control model |
| wt1t | WT12T1 | WT1T and WT12T1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt1p_b | wt1p_b | WT12A1U_B | Generic wind turbine pitch controller for WTGs of Types 1 and 2 |
| wt2t | WT12T1 | WT2T | Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance) |
| wtgt_a | WTDTAU1, WTDTA1 | WTGT_A | Wind turbine drive train model |
| wtga_a | WTARAU1, WTARA1 | WTGA_A | Simple aerodynamic model |
| wtgp_a | WTPTAU1, WTPTA1 | WTGPT_A | Wind Turbine Generator Pitch controller |
| wtgq_a | WTTQAU1, WTTQA1 | WTGTRQ_A | Wind Turbine Generator Torque controller |
| wtgwgo_a | WTGWGOAU | WTGWGO_A | Supplementary control model for Weak Grids |
| wtgibffr_a | WTGIBFFRA | WTGIBFFR_A | Inertial-base fast frequency response control |
| wtgp_b | WTPTBU1 | WTGPT_B | Wind Turbine Generator Pitch controller |
| wtgt_b | WTDTBU1 | WTGT_B | Drive train model |
| repc_a | Type 4: REPCAU1 (v33), REPCA1 (v34) | REPC_A | Power Plant Controller |

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

## Attachment C to Appendix 1
## Interconnection Request

## GENERATING FACILITY DATA
## ELECTRIC STORAGE RESOURCES

1. **One-line Diagram.** Should be similar to Figure 1 shown on this Attachment. Please include as separate attachment.

2. **Interconnection Transmission Line.**

   - Line voltage = _____ kV
   - Line Conductor Size = _____ kcmil _____ (Type ACSR, etc.) _____ (# Cond per Phase)
   - Line Length = _____ miles
   - Line Thermal Rating = _____ MVA Amps @ _____ @ Cond Temp (deg C)
   - R = _____ Ohm or _____ pu on 100 MVA and line kV base (positive sequence)
   - X = _____ Ohm or _____ pu on 100 MVA and line kV base (positive sequence)
   - B = _____ µmho or _____ pu on 100 MVA and line kV base

3. **Main Substation Transformer**. (NOTE: If there are multiple transformers, data for each transformer should be provided. If final impedance data is not known at this time, the IC should supply typical data for use in completing the short-circuit portion of the Cluster Studies.)

   - Rating (ONAN/ONAF1/ONAF2): _____ /_____ /_____ MVA / MVA / MVA
   - Nominal Voltage for each winding (Low/High/Tertiary): _____/_____/ ___ kV / kV/ kV
   - Winding Connections (Low/High/Tertiary): _____/_____/_____ (e.g. Delta, Wye-gnd)
   - HV DETC (NLTC), LTC or None: Available Taps: _____ Operating Tap: _____ kV
   - Impedances: HV-LV, HV-TV, LV-TV, assuming 3-winding design, in per-unit on transformer self-cooled (ONAN) MVA Base Rating:

     ○ Positive sequence Z1: HV-LV: R1: _____ X1: _____ pu
     HV-TV: R1: _____ X1: _____ pu
     LV-TV: R1: _____ X1: _____ pu

     ○ Zero sequence Z0: HV-LV: R0: _____ X0: _____ pu
     HV-TV: R0: _____ X0: _____ pu
     LV-TV: R0: _____ X0: _____ pu

4. **Collector System Equivalent Model**. This can be found by applying the equivalent methodology described in Section 3.4 of the WECC WPP Power Flow Modeling Guide.

    - Generation Level 1
        - Collector system voltage = _____ kV Equiv. Collector System Thermal Rating _____ MVA
        - R = _____ ohm or _____ pu on 100 MVA and collector kV base
        - X = _____ ohm or _____ pu on 100 MVA and collector kV base
        - B = _____ µmho or _____ pu on 100 MVA and collector kV base
    - Generation Level 2 (if applicable)
        - Collector system voltage = _____ kV Equiv. Collector System Thermal Rating _____ MVA
        - R = _____ ohm or _____ pu on 100 MVA and collector kV base
        - X = _____ ohm or _____ pu on 100 MVA and collector kV base
        - B = _____ µmho or _____ pu on 100 MVA and collector kV base

**NOTE**: Please include an electrical system one-line diagram, which includes the collector system equivalences.

**NOTE:** Typical collector system equivalent impedances are shown in the following table and will be used if actual collector system data is not supplied by the IC.

**Typical Collector System Equivalent Impedance Data:**

| Plant Size (MW Total) | Collector Voltage | Feeder Ckt Make-up | R (pu) | X (pu) | B (pu) |
|---|---|---|---|---|---|
| 100 MW | 34.5 kV | A11 UG | 0.017 | 0.014 | 0.030 |
| 100 MW | 34.5 kV | 67% UG/ 33% OH | 0.018 | 0.079 | 0.030 |
| 200 MW | 34.5 kV | Mostly UG / Some OH | 0.007 | 0.025 | 0.055 |
| 300 MW | 34.5 kV | Mostly UG / Some OH | 0.005 | 0.020 | 0.085 |

* Per Unit (pu) values are on a 100 MVA base, and collector system kV base (34.5 kV).

5. **Storage Inverter Step-Up Transformer**. These are typically two-winding air-cooled transformers. If the proposed project contains different types or sizes of pad-mounted transformers, please provide data for each type.

- Rating: _____ MVA
- Nominal Voltage for each winding (Low/High): _____ /_____ kV
- Winding Connections: _____ /_____ (Delta, Wye, Wye grounded)
- Available Taps: _____ (please indicate fixed or DETC), Operating Tap: _____ kV
- Positive sequence impedance (Z1): ____ %, ___ X/R on transformer self-cooled MVA
- Zero sequence impedance (Z0): _____ %, ____ X/R on transformer self-cooled MVA

6. **Storage Inverter Power Flow Data**.

- Number of Inverters: _____
- Nameplate Rating (each Inverter): _____ MW
- Inverter Manufacturer and Model: _____
- Inverter Type: _____
- Maximum (uncompensated) over-excited power factor (producing MVAR) at full load: _____
- Maximum (uncompensated) under-excited power factor (absorbing MVAR) at full load: _____
- Control mode: _____ (voltage control, fixed power factor) (See Note 6.1)
- Please attach capability curve describing reactive power or power factor range from zero (0) to full output, including the effect of shunt compensation.

**NOTE 6.1:** Unless otherwise noted by the IC, inverters are assumed to operate either on: (1) fixed power factor mode for a wide range of output, aided by power factor correction capacitors (shunt compensation); or (2) voltage control mode with a suitable plant-level controller. Voltage control operation is preferred by the Transmission Provider; however, this feature is not always available. The data requested must reflect the inverter capability that can be used in practice. Please consult with the manufacturer when in doubt. The interconnection study will determine the voltage control requirements for the project. Inverter reactive capability data can significantly impact study results and plant-level reactive compensation requirements.

7. **Storage Resources Power Flow Data**.

- Total Storage Rating: _____ MWh
- Max Charging Rate: _____ MWh

- Max Discharging Rate: _____ MWh
- Primary frequency response operating range: _____ Hz to _____ Hz
  - Minimum State of Charge for frequency response: _____ %
  - Maximum State of Charge for frequency response: _____ %
- Primary frequency response droop parameter: _____ %

8. **Coupling**. If energy storage is paired with a different type of Generating Facility (e.g. solar), indicate the type of coupling for study purposes. (select one, if applicable)

   - AC-Coupled: _____
   - DC-Coupled: _____

9. **Storage Facility Reactive Power Compensation**. Provide the following for facility reactive compensation, if applicable, to supplement Invertor reactive capability in order to meet Transmission Provider's (TP) reactive capability criteria:

   - Individual shunt capacitor quantity and size of each: _____ x _____ MVAR
   - Individual shunt reactor quantity and size of each: _____ x _____ MVAR
   - Dynamic reactive control device, (SVC, STATCOM): _____
   - Control range_____ MVAR (lead and lag)
   - Control mode (line drop, voltage droop, voltage control): _____
   - Regulation point _____ (i.e. ref. bus voltage / name)
   - Describe the overall reactive power control strategy: _____

10. **Storage Inverter Dynamic Data**. 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 WECC-approved and in an approved WECC format, specifically in GE PSLF software compatible electronic file formats that are acceptable to the Transmission Provider, that corresponds to Interconnection Customer's Large Generating Facility; and (3) if applicable, a validated electromagnetic transient model if Transmission Provider performs an electromagnetic transient study as part of the interconnection study process. A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and represents the entities' control strategies but does not necessarily correspond to any generic library model. Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the

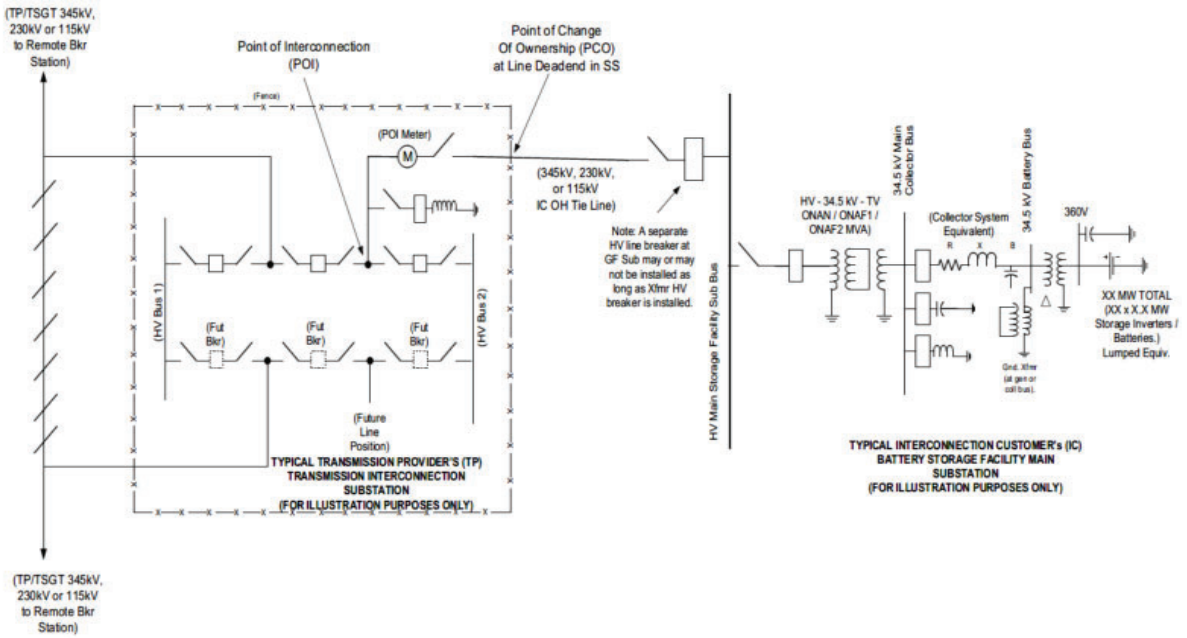
model behavior (e.g., an attestation from Interconnection Customer that the model accurately represents the entire Large Generating Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Large Generating Facility; or test data).

- Library model name: _____
- Model type (standard library): _____
- Model access (proprietary or non-proprietary): _____
- Attach full model description and parameter data. _____

11. **Storage Inverter Short-Circuit Model Data**. Model and parameter data required for short-circuit analysis is specific to each Storage Inverter make and model. All data to be provided in per-unit ohms, on the equivalent inverter MVA base.

    - Inverter Equivalent MVA Base: _____ MVA
    - Short-Circuit Equivalent Pos. Seq. Resistance (R1), valid for initial 4 to 6 cycles: __pu
    - Short-Circuit Equivalent Pos. Seq. Reactance (XL1), valid for initial 4 to 6 cycles: __pu
    - Short-Circuit Equivalent Neg. Seq. Resistance (R2), valid for initial 4 to 6 cycles: __pu
    - Short-Circuit Equivalent Neg. Seq. Reactance (XL2), valid for initial 4 to 6 cycles: __pu
    - Short-Circuit Equivalent Zero Seq. Resistance (R0), valid for initial 4 to 6 cycles: __pu
    - Short-Circuit Equivalent Zero Seq. Reactance (XL0), valid for initial 4 to 6 cycles:__ pu
    - Special notes regarding short-circuit modeling assumptions: _____

## Figure 1 (Sample Storage Facility Interconnection One-Line Diagram)




Typical Battery Storage GF Project Interconnection One-Line Diagram – Electrical Lumped Model Equivalence diagram
(RAL-8-13-2013)

**Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models**

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| pvd1 | | PVD1 | Distributed PV system model |
| der_a | DERAU1 | DER_A | Distributed energy resource model |
| regc_a | REGCAU1, REGCA1 | REGC_A | Generator/converter model |
| regc_b | REGCBU1 | REGC_B | Generator/converter model |
| wt1g | WT1G1 | WT1G and WT1G1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt2g | WT2G1 | WT2G and WT2G1 | Generator model for generic Type-2 wind turbines |
| wt2e | WT2E1 | WT2E and WT2E1 | Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g |
| reec_a | REECAU1, REECA1 | REEC_A | Renewable energy electrical control model |
| reec_c | REECCU1 | REEC_C | Electrical control model for battery energy storage system |
| reec_d | REECDU1 | REEC_D | Renewable energy electrical control model |
| wt1t | WT12T1 | WT1T and WT12T1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt1p_b | wt1p_b | WT12A1U_B | Generic wind turbine pitch controller for WTGs of Types 1 and 2 |
| wt2t | WT12T1 | WT2T | Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance) |
| wtgt_a | WTDTAU1, WTDTA1 | WTGT_A | Wind turbine drive train model |
| wtga_a | WTARAU1, WTARA1 | WTGA_A | Simple aerodynamic model |
| wtgp_a | WTPTAU1, WTPTA1 | WTGPT_A | Wind Turbine Generator Pitch controller |
| wtgq_a | WTTQAU1, WTTQA1 | WTGTRQ_A | Wind Turbine Generator Torque controller |
| wtgwgo_a | WTGWGOAU | WTGWGO_A | Supplementary control model for Weak Grids |
| wtgibffr_a | WTGIBFFRA | WTGIBFFR_A | Inertial-base fast frequency response control |
| wtgp_b | WTPTBU1 | WTGPT_B | Wind Turbine Generator Pitch controller |
| wtgt_b | WTDTBU1 | WTGT_B | Drive train model |

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

## Attachment D to Appendix 1
## Interconnection Request

## GENERATING FACILITY DATA
## SYNCHRONOUS GENERATOR APPLICATIONS

**NOTE:** If requested information is not applicable, indicate by marking "N/A." If none of this data applies for the Generation Facility, such as for a wind generation project, or PV solar generation project, then do not use this form and use the other Attachment form(s) (Attachment A for Wind, Attachment B for PV Solar, and/or Attachment C for Storage) instead of this Attachment D form.

1. **GENERATOR RATINGS**:

kVA _____ °F _____ Voltage _____

Power Factor _____

Speed (RPM) _____ Connection (e.g.Wye) _____

Short Circuit Ratio _____ Frequency, Hertz _____

Stator Amperes at Rated kVA _____ Field Volts _____

Max Turbine MW _____ °F _____

2. **COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA**

Inertia Constant, H = _____ kW sec/kVA

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

3. **REACTANCE DATA (PER UNIT-RATED KVA)**

| | | DIRECT AXIS | | QUADRATURE AXIS |
|---|---|---|---|---|
| Synchronous – saturated | $X_{dv}$ | _____ | $X_{qv}$ | _____ |
| Synchronous – unsaturated | $X_{di}$ | _____ | $X_{qi}$ | _____ |
| Transient – saturated | $X'_{dv}$ | _____ | $X'_{qv}$ | _____ |
| Transient – unsaturated | $X'_{di}$ | _____ | $X'_{qi}$ | _____ |
| Subtransient – saturated | $X''_{dv}$ | _____ | $X''_{qv}$ | _____ |
| Subtransient – unsaturated | $X''_{di}$ | _____ | $X''_{qi}$ | _____ |
| Negative Sequence – saturated | $X2_v$ | _____ | | |
| Negative Sequence – unsaturated | $X2_i$ | _____ | | |
| Zero Sequence – saturated | $X0_v$ | _____ | | |
| Zero Sequence – unsaturated | $X0_i$ | _____ | | |
| Leakage Reactance | $Xl_m$ | _____ | | |

4. **FIELD TIME CONSTANT DATA (SEC)**

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

5. **ARMATURE TIME CONSTANT DATA (SEC)**

Three Phase Short Circuit $Ta_3$ _____

Line to Line Short Circuit $Ta_2$ _____

Line to Neutral Short Circuit $Ta_1$ _____

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

6. **ARMATURE WINDING RESISTANCE DATA (PER UNIT)**

Positive $R_1$ _____

Negative $R_2$ _____

Zero $R_0$ _____

Rotor Short Time Thermal Capacity $I_2^2t$ = _____

Field Current at Rated kVA, Armature Voltage and PF = _____ Amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ Amps

Three Phase Armature Winding Capacitance = _____ Microfarad

Field Winding Resistance= _____ ohms _____ °C

Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

7. **GENERATOR OPERATING CURVES**

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

8. **GENERATOR STEP-UP TRANSFORMER** (NOTE: If there are multiple transformers, data for each transformer should be provided. If final impedance

data is not known at this time, the IC should supply typical data for use in completing the short-circuit portion of the Cluster Studies.)

- Rating (ONAN/ONAF1/ONAF2): _____/_____/_____ MVA / MVA / MVA
- Nominal Voltage for each winding (Low/High/Tertiary): _____/_____/_____ kV / kV /kV
- Winding Connections (Low/High/Tertiary): _____/_____/_____ (e.g. Delta, Wye-gnd)
- HV DETC (NLTC), LTC or None: _____ Available Taps: _____ Operating Tap:___kV
- Impedances: HV-LV, HV-TV, LV-TV, assuming 3-winding design, in per-unit on transformer self-cooled (ONAN) MVA Base Rating:

| | | | | | |
|---|---|---|---|---|---|
| ○ | Positive sequence Z1: | HV-LV: R1: _____ | X1: _____ | pu | |
| | | HV-TV: R1: _____ | X1: _____ | pu | |
| | | LV-TV: R1: _____ | X1: _____ | pu | |
| ○ | Zero sequence Z0: | HV-LV: R0: _____ | X0: _____ | pu | |
| | | HV-TV: R0: _____ | X0: _____ | pu | |
| | | LV-TV: R0: _____ | X0: _____ | pu | |

## 9. EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model. The dynamic model supplied must be WECC-approved and in an approved WECC format, specifically in GE PSLF software compatible electronic file formats that are acceptable to the transmission provider.

## 10. GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model. The dynamic model supplied must be WECC-approved and in an approved WECC format, specifically in GE PSLF software compatible electronic file formats that are acceptable to the transmission provider.

## 11. INDUCTION GENERATORS

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

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

## APPENDIX 2 to LGIP CLUSTER STUDY AGREEMENT

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

### RECITALS

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

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

**WHEREAS**, Interconnection Customer has requested Transmission Provider to perform a Cluster Study to assess the impact of interconnecting the Large Generating Facility to the Transmission System, and of any Affected Systems;

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Cluster Study consistent with Section 7.0 of Transmission Provider's LGIP in accordance with Transmission Provider's Tariff.

3.0 The scope of the Cluster Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The Cluster Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of Transmission Provider's LGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become

necessary consistent with Good Utility Practice during the course of the Cluster Study.

5.0 The Cluster Study Report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

- identification of any thermal overload or voltage limit violations resulting from the interconnection;

- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and

- description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Transmission Provider's good faith estimate for the time of completion of the Cluster Study is {insert date}.

Upon receipt of the Cluster Study Report, Transmission Provider shall charge and Interconnection Customer shall pay its share of the actual costs of the Cluster Study, consistent with Section 13.3 of Transmission Provider's LGIP.

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

7.0 Miscellaneous. The Cluster 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, 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 Transmission Provider's LGIP and LGIA.

{Signature Page to Follow}

**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 Transmission Provider or Transmission Owner, if applicable}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Interconnection Customer}**

By: _____

Title: _____

Date: _____

## Attachment A To Appendix 2
## Cluster Study Agreement

## ASSUMPTIONS USED IN CONDUCTING THE CLUSTER STUDY

The Cluster Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of Transmission Provider's LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

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

{Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider}

## APPENDIX 3 to LGIP
## INTERCONNECTION FACILITIES STUDY AGREEMENT

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

### RECITALS

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

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

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

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

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of Transmission Provider's LGIP to be performed in accordance with Transmission Provider's 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 Large Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Cluster Study.

5.0 Interconnection Customer shall provide a Commercial Readiness Deposit per Section 8.1 of Transmission Provider's LGIP to enter the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

6.0 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 Transmission Provider's LGIP and LGIA.

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

**{Insert name of Transmission Provider or Transmission Owner, if applicable}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Interconnection Customer}**

By: _____

Title: _____

Date: _____

## Attachment A To Appendix 3
## Interconnection Facilities Study Agreement

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

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

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

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

## Attachment B to Appendix 3
## Interconnection Facilities Study Agreement

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

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

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

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

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

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

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? _____Yes _____No (Please indicate on one line diagram).

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

_____

What protocol does the control system or PLC use?

_____

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

_____

Physical dimensions of the proposed interconnection station:

_____

Bus length from generation to interconnection station:

_____

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

_____

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

Number of third party easements required for transmission lines*:

_____

* To be completed in coordination with Transmission Provider.

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

_____Yes _____No Local provider: _____

Please provide proposed schedule dates:

| | |
|---|---|
| Begin Construction | Date: _____ |
| Generator step-up transformer receives back feed power | Date: _____ |
| Generation Testing | Date: _____ |
| Commercial Operation | Date: _____ |

## APPENDIX 4 to LGIP
## OPTIONAL INTERCONNECTION STUDY AGREEMENT

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

### RECITALS

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

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

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

**WHEREAS**, on or after the date when Interconnection Customer receives the Cluster Study results, Interconnection Customer has further requested that Transmission Provider prepare an Optional Interconnection Study;

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause an Optional Interconnection Study consistent with Section 10.0 of Transmission Provider's LGIP to be performed in accordance with Transmission Provider's Tariff.

3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The Optional Interconnection Study shall be performed solely for informational purposes.

5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by Interconnection Customer in Attachment

A to this Agreement. The Optional Interconnection Study will identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or interconnection service based upon the assumptions specified by Interconnection Customer in Attachment A.

6.0 Interconnection Customer shall provide a deposit of $10,000 for the performance of the Optional Interconnection Study. Transmission Provider's good faith estimate for the time of completion of the Optional Interconnection Study is {insert date}.

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

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

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

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

**{Insert name of Transmission Provider or Transmission Owner, if applicable}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Interconnection Customer}**

By: _____

Title: _____

Date: _____

# APPENDIX 5 to LGIP
# LARGE GENERATOR INTERCONNECTION AGREEMENT (SEE LGIA)

# APPENDIX 6 to LGIP
# INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT

Appendix 6 sets forth procedures specific to a wind generating plant. All other requirements of Transmission Provider's LGIP continue to apply to wind generating plant interconnections.

## A. Special Procedures Applicable to Wind Generators

The wind plant Interconnection Customer, in completing the Interconnection Request required by Section 3.3 of Transmission Provider's LGIP, may provide to Transmission Provider a set of preliminary electrical design specifications depicting the wind plant as a single equivalent generator. Upon satisfying these and other applicable Interconnection Request conditions, the wind plant may enter the queue and receive the base case data as provided for in Transmission Provider's LGIP.

No later than six months after submitting an Interconnection Request completed in this manner, the wind plant Interconnection Customer must submit completed detailed electrical design specifications and other data (including collector system layout data) needed to allow Transmission Provider to complete the Cluster Study.

## APPENDIX 7 to LGIP
## TRANSITIONAL CLUSTER STUDY AGREEMENT

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

### RECITALS

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

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

**WHEREAS**, Interconnection Customer has requested Transmission Provider to perform a "Transitional Cluster Study," which combines the Cluster Study and Interconnection Facilities Study, in a single cluster study, followed by any needed restudies, to specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to physically and electrically connect the Large Generating Facility to Transmission Provider's Transmission System; and

**WHEREAS**, Interconnection Customer has a valid Queue Position as of the March 3, 2025;

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.

2.0 Interconnection Customer elects, and Transmission Provider shall cause to be performed, a Transitional Cluster Study.

3.0 The Transitional Cluster Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the

Transitional Cluster Study and Interconnection Customer shall provide such data as quickly as reasonable.

4.0 Pursuant to Section 5.1.1.2 of Transmission Provider's LGIP, the interim Transitional Cluster Study Report shall provide the information below:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
- Transmission Provider's Interconnection Facilities and Network Upgrades that are expected to be required as a result of the Interconnection Request(s) and a non-binding, good faith estimate of cost responsibility and a non-binding, good faith estimated time to construct.

5.0 Pursuant to Section 5.1.1.2 of Transmission Provider's LGIP, the final Transitional Cluster Study Report shall: (1) provide all the information included in the interim Transitional Cluster Study Report; (2) provide a description of, estimated cost of, and schedule for required facilities to interconnect the Generating Facility to the Transmission System; and (3) address the short circuit, instability, and power flow issues identified in the interim Transitional Cluster Study Report.

6.0 Interconnection Customer has met the requirements described in Section 5.1.1.2 of Transmission Provider's LGIP.

7.0 Interconnection Customer previously provided a deposit for the performance of Interconnection Studies. Upon receipt of the final Transitional Cluster Study Report, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Transitional Cluster Study. Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, in accordance with the provisions of Section 13.3 of Transmission Provider's LGIP.

8.0 Miscellaneous. The Transitional Cluster 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 Transmission Provider's LGIP and LGIA.

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

**{Insert name of Transmission Provider or Transmission Owner, if applicable}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Interconnection Customer}**

By: _____

Title: _____

Date: _____

## APPENDIX 8 to LGIP
## TRANSITIONAL SERIAL INTERCONNECTION FACILITIES STUDY AGREEMENT

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

### RECITALS

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

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

**WHEREAS**, Interconnection Customer has requested Transmission Provider to continue processing its Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the final interconnection system impact study (from the previously effective serial study process) in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility to the Transmission System; and

**WHEREAS**, Transmission Provider has provided an Interconnection Facilities Study Agreement to Interconnection Customer on or before March 3, 2025;

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.

2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Facilities Study consistent with Section 8 of Transmission Provider's LGIP.

3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A to this Agreement, which shall be the same assumptions as the previous Interconnection Facilities Study Agreement executed by Interconnection Customer.

4.0 The Interconnection Facilities Study Report shall: (1) provide a description, estimated cost of (consistent with Attachment A), and schedule for required facilities to interconnect the Large Generating Facility to the Transmission System; and (2) address the short circuit, instability, and power flow issues identified in the most recently published Cluster Study Report.

5.0 Interconnection Customer has met the requirements described in Section 5.1.1.1 of Transmission Provider's LGIP. The time for completion of the Interconnection Facilities Study is specified in Attachment A, and shall be no later two hundred forty (240) Calendar Days of the effective date of Transmission Provider's LGIP.

6.0 Interconnection Customer previously provided a deposit of _____ dollars ($___) for the performance of the Interconnection Facilities Study.

7.0 Upon receipt of the Interconnection Facilities Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study.

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

9.0 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 Transmission Provider's LGIP and LGIA.

{Signature Page to Follow}

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

**{Insert name of Transmission Provider or Transmission Owner, if applicable}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Interconnection Customer}**

By: _____

Title: _____

Date: _____

## Attachment A to Appendix 8
## Transitional Serial Interconnection Facilities Study Agreement

## ASSUMPTIONS USED IN CONDUCTING THE TRANSITIONAL SERIAL INTERCONNECTION FACILITIES STUDY

{Assumptions to be completed by Interconnection Customer and Transmission Provider}

## APPENDIX 9 to LGIP
## [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 _____ (Transmission Provider). Affected System Interconnection Customer and Transmission 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 Transmission 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 Transmission Provider's LGIP.

2.0 Transmission Provider shall coordinate with Affected System Interconnection Customer to perform an Affected System Study consistent with Section 9 of Transmission Provider's LGIP.

3.0 The scope of the Affected System Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customer and {name of host transmission provider}. Transmission 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 Transmission 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, Transmission 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 Transmission Provider's LGIP.

{Signature Page to Follow}

**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 Transmission Provider}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Affected System Interconnection Customer}**

By: _____

Title: _____

Date: _____

Project No. ____

## 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 Transmission Provider}

## APPENDIX 10 to LGIP
## MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT

**THIS AGREEMENT** is made and entered into this ___ day of _____, 20___, by and among _____, a _____ organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); _____, a _____ organized and existing under the laws of the State of_____ (Affected System Interconnection Customer); and _____, a _____ organized and existing under the laws of the State of _____ (Transmission Provider). Affected System Interconnection Customers and Transmission 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 Transmission 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 Transmission Provider's LGIP.

2.0 Transmission Provider shall coordinate with Affected System Interconnection Customers to perform an Affected System Study consistent with Section 9 of Transmission Provider's LGIP.

3.0 The scope of the Affected System Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customers and {name of host transmission provider}. Transmission 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 Transmission 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, Transmission 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 Transmission Provider's LGIP.

{Signature Page to Follow}

**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 Transmission Provider}**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

**{Insert name of Affected System Interconnection Customer}**

By: _____

Title: _____

Date: _____

Project No. ____

**{Insert name of Affected System Interconnection Customer}**

By: _____

Title: _____

Date: _____

Project No. ____

## Attachment 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 Transmission Provider}

# APPENDIX 11 TO LGIP
# [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 and existing under the laws of the State of _____ (Transmission Provider). Affected System Interconnection Customer and Transmission 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 Transmission 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 Transmission Provider's Transmission System to accommodate such interconnection; and

**WHEREAS**, Affected System Interconnection Customer has requested, and Transmission 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 Transmission Provider's LGIP.

## ARTICLE 2
## TERM OF AGREEMENT

**2.1 Effective Date**. This Agreement shall become effective upon execution by the Parties, or if requesting that service commence under an unexecuted LGIA

subject to Dispute Resolution procedures pursuant to Section 13.5 of Transmission Provider's LGIP, upon the date specified by Colorado Springs Utilities

**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 Transmission Provider of the amount funded by Affected System Interconnection Customer for Transmission 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 Transmission Provider with written notice at least ninety (90) Calendar Days prior to the proposed termination date, provided that Affected System Interconnection Customer has no outstanding contractual obligations to Transmission 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 Transmission 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, Transmission Provider may not terminate this Agreement if Affected System Interconnection Customer is the Defaulting Party and compensates Transmission Provider within thirty (30) Calendar Days for the amount of damages billed to Affected System Interconnection Customer by Transmission Provider for any such damages, including costs and expenses, incurred by Transmission 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 Transmission Provider, Affected System

Interconnection Customer shall be responsible for the payment to Transmission 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 Transmission 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 Transmission 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 Transmission Provider's Transmission System. Transmission Provider shall use Reasonable Efforts to minimize such costs.

**2.2.4 Rights Under the Law**. If an attempted informal Dispute Resolution fails or the formal Dispute Resolution process is not undertaken, either Party may exercise whatever rights and remedies it may have in equity or law.

**2.3 Filing**. [Reserved]

**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**. Transmission 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 Transmission 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 Transmission 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) Transmission Provider determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to Transmission Provider under Article 4.1 of this Agreement shall be released by Transmission Provider upon the determination by Transmission 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 Transmission 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 Transmission Provider's Transmission System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Transmission 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, Transmission 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 Transmission 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.

Transmission Provider shall invoice Affected System Interconnection Customer pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customer suspends work by Affected System Transmission Provider required under this Agreement pursuant to this Article 3.1.2.1, and has not requested Affected System Transmission Provider to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Affected System Transmission Provider, whichever is earlier, if no effective date of suspension is specified.

**3.1.3 Construction Status**. Transmission 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 Transmission 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 Transmission Provider of such later date upon which the completion of the Affected System Network Upgrade(s) would be required. Transmission Provider may delay the in-service date of the Affected System Network Upgrade(s) accordingly.

**3.1.4 Timely Completion**. Transmission 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), Transmission Provider shall promptly notify Affected System Interconnection Customer. In such circumstances, Transmission

Provider shall, within thirty (30) Calendar Days of such notice, convene a meeting with Affected System Interconnection Customer to evaluate the alternatives available to Affected System Interconnection Customer. Transmission 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 Transmission Provider that is reasonably needed by Affected System Interconnection Customer to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. Transmission 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 Transmission 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 Transmission 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 Transmission Provider, Transmission 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, 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**. Each Affected System Interconnection Customer shall be entitled to a cash repayment by Transmission Provider of the amount each Affected System Interconnection Customer paid to Transmission Provider, if any, for the Affected System Network Upgrade(s). 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 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), Transmission 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 Affected System Interconnection Customer Payments Not Taxable**. The Parties intend that all payments or property transfers made by Affected System Interconnection Customer to Transmission Provider for the installation of Transmission Provider's Interconnection Facilities and the Affected System Network Upgrades shall be non-taxable consistent

with the status of Transmission Provider as a municipal entity under applicable tax law and regulations.

**3.3.2 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon Transmission Provider.** Affected System Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any tax liability imposed against Transmission Provider as the result of payments, property transfers, or use of Transmission Provider's facilities by Affected System Interconnection Customer under this Agreement, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

**3.3.3 Tax Status.** Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect any Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

## 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 Transmission Provider for installing the Affected System Network Upgrade(s), Affected System Interconnection Customer shall provide Transmission 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 Transmission 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 Transmission Provider for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider and contain terms and conditions that guarantee payment of any amount that may be due from 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 Transmission Provider and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to Transmission 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), Transmission 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. Transmission 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, Transmission 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 Transmission 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 Transmission Provider may provide notice to Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

## ARTICLE 5
## BREACH, CURE AND DEFAULT

**5.1 Events of Breach**. A Breach of this Agreement shall include the:

(a) Failure to pay any amount when due;

(b) Failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty, or covenant made in this Agreement;

(c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or

(d) Failure of a Party to provide information or data to another Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

**5.2 Definition**. Breaching Party shall mean the Party that is in Breach.

**5.3 Notice of Breach, Cure, and Default**. Upon the occurrence of an event of Breach, the Party not in Breach, when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

**5.3.1** Upon receiving written notice of the Breach hereunder, the Breaching Party shall have a period to cure such Breach (hereinafter referred to as the "Cure Period") which shall be sixty (60) Calendar Days.

**5.3.2** In the event the Breaching Party fails to cure within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non-Defaulting Party may terminate this Agreement in accordance with Article 6.2 of this Agreement or take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

**5.4 Rights in the Event of Default**. Notwithstanding the foregoing, upon the occurrence of a Default, the non-Defaulting Party shall be entitled to exercise all rights and remedies it may have in equity or at law.

## ARTICLE 6
## TERMINATION OF AGREEMENT

**6.1 Expiration of Term**. Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement shall terminate at the conclusion of the term of this Agreement.

**6.2 Termination**. In addition to the termination provisions set forth in Article 2.2, a Party may terminate this Agreement upon the Default of the other Party in accordance with Article 5.3.2 of this Agreement.

**6.3 Disposition of Facilities Upon Termination of Agreement.**

**6.3.1 Transmission Provider Obligations**. Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, Transmission 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 Transmission 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 Transmission Provider, Affected System Interconnection Customer shall reimburse Transmission Provider for any costs incurred by Transmission 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. Transmission 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), Transmission 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 Transmission 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 Transmission Provider for any or all of such costs, Transmission Provider shall refund Affected System Interconnection Customer for those payments. If Transmission Provider elects to not retain any portion of such facilities, Transmission 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 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.

**8.1.6 Standard of Care**. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication, or dissemination. Each Party may use Confidential Information solely to fulfill

its obligations to the other Party under this Agreement or its regulatory requirements.

**8.1.7 Order of Disclosure**. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the 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.

**8.1.8 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 provided that the obligation to treat it as Confidential Information in accordance with this Article 8 shall survive such termination.

**8.1.9 Remedies**. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Article 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.

**8.1.10 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.

**8.1.11** Subject to the exception in Article 8.1.10, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement ("Confidential Information") 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 Transmission 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 Transmission 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 Transmission 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 Transmission Provider:

To Affected System Interconnection Customer:

**10.2 Billings and Payments**. Billings and payments shall be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

**10.3 Alternative Forms of Notice**. Any notice or request required or permitted to be given by a Party to the other Party and not required by this Agreement to be

given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out below:

To Transmission Provider:

To Affected System Interconnection Customer:

**10.4** **Execution**. Affected System Interconnection Customer shall either: (i) execute two originals of this tendered Agreement and return them to Transmission Provider; (ii) or request in writing that Transmission Provider commence service under this Agreement in unexecuted form. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by Transmission 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 resolution of all disputes under Section 13.5 of Transmission Provider's LGIP.

## 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 Transmission Provider's 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.

**Transmission Provider**
**{Transmission 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 Transmission Provider.

**1.1 Affected System Network Upgrade(s) to be installed by Transmission Provider.**

{description}

**1.2 First Equipment Order (including permitting).**

{description}

**1.2.1. Permitting and Land Rights – Transmission 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: Transmission Provider Construction Activities**

| MILESTONE NUMBER | DESCRIPTION | START DATE | END DATE |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Note: Construction schedule assumes that Transmission 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 Transmission 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 Appendix B is a part of the Affected Systems Facilities Construction Agreement between Affected System Interconnection Customer and Transmission Provider. Where applicable, when Transmission Provider has completed construction of the Affected System Network Upgrade(s), Transmission 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 {Transmission Provider} and {Affected System Interconnection Customer}, dated _____, 20___.

On {Date}, Transmission 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}. Transmission Provider confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}

{Transmission Provider Representative}

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

## EXHIBITS

**This Appendix C is a part of the Affected System Facilities Construction Agreement between Affected System Interconnection Customer and Transmission Provider.**

**Exhibit A1**

**Transmission 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:** | |

## APPENDIX 12 TO LGIP
## MULTIPARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

**THIS AGREEMENT** is made and entered into this ____ day of _____, 20__, by and among _____, organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); _____, a _____ organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); and_____, an entity organized and existing under the laws of the State of _____ (Transmission Provider). Affected System Interconnection Customers and Transmission 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 Transmission 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 Transmission Provider's Transmission System to accommodate such interconnection; and

**WHEREAS**, Affected System Interconnection Customers have requested, and Transmission 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 Transmission Provider's LGIP.

## ARTICLE 2
## TERM OF AGREEMENT

**2.1 Effective Date**. This Agreement shall become effective upon execution by the Parties, or if requesting that service commence under an unexecuted LGIA subject to Dispute Resolution procedures pursuant to Section 13.5 of Transmission Provider's LGIP, upon the date specified by Colorado Springs Utilities.

**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 Transmission Provider of the amount funded by Affected System Interconnection Customers for Transmission 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 Transmission Provider with written notice at least ninety (90) Calendar Days prior to the proposed termination date, provided that Affected System Interconnection Customers have no outstanding contractual obligations to Transmission 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 Transmission 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, Transmission Provider may not terminate this Agreement if an Affected System Interconnection Customer is the Defaulting Party and compensates Transmission Provider within thirty (30) Calendar Days for the amount of damages billed to Affected System Interconnection Customer(s) by Transmission Provider for any such damages, including costs and expenses incurred by

Transmission 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. Transmission Provider shall not terminate this Agreement or the participation of any Affected System Interconnection Customer without provision being made for Transmission 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 Transmission Provider, each Affected System Interconnection Customer whose participation in this Agreement is terminated shall be responsible for the payment to Transmission 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 Transmission 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 Transmission 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 Transmission Provider's Transmission System. Transmission 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 Rights Under the Law**. If an attempted informal Dispute Resolution fails or the formal Dispute Resolution process is not undertaken, either Party may exercise whatever rights and remedies it may have in equity or law.

**2.3 Filing**. [Reserved]

**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 Transmission Provider Obligations**. Transmission 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 Transmission 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 Customers must jointly provide to Transmission 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) Transmission Provider determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to Transmission Provider under Article 4.1 of this

Agreement shall be released by Transmission Provider upon the determination by Transmission 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 Transmission 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 Transmission Provider's Transmission System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Transmission 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, Transmission 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 Transmission 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.

Transmission Provider shall invoice Affected System Interconnection Customers pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customers suspend work by Affected System Transmission Provider required under this Agreement pursuant to this Article 3.1.2.1, and have not requested Affected System Transmission Provider to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Affected System Transmission Provider, whichever is earlier, if no effective date of suspension is specified.

**3.1.3 Construction Status**. Transmission 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 Transmission 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. Transmission 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**. Transmission 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), Transmission Provider shall promptly notify all other Parties. In such circumstances, Transmission Provider shall, within thirty (30) Calendar Days of such notice, convene a meeting with Affected System Interconnection Customers to evaluate the alternatives available to Affected System Interconnection Customers. Transmission 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 transmission Provider that is reasonably needed by Affected System Interconnection Customers to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. Transmission 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 Transmission 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 Transmission 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 Transmission Provider, Transmission 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, 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**. Each Affected System Interconnection Customer shall be entitled to a cash repayment by Transmission Provider of the amount each Affected System Interconnection Customer paid to Transmission Provider, if any, for the Affected System Network Upgrade(s). 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), Transmission 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 Affected System Interconnection Customer Payments Not Taxable.** The Parties intend that all payments or property transfers made by Affected System Interconnection Customer to Transmission Provider for the installation of Transmission Provider's Interconnection Facilities and the Affected System Network Upgrades shall be non-taxable consistent with the status of Transmission Provider as a municipal entity under applicable tax law and regulations.

**3.3.2 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon Transmission Provider.** Affected System Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any tax liability imposed against Transmission Provider as the result of payments, property transfers, or use of Transmission Provider's facilities by Affected System Interconnection Customer under this Agreement, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

**3.3.3 Tax Status.** Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this agreement is intended to adversely

affect any Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

## 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 Transmission Provider for installing the Affected System Network Upgrade(s), each Affected System Interconnection Customer shall provide Transmission 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 Transmission 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 Transmission Provider for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider and contain terms and conditions that guarantee payment of any amount that may be due from 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 Transmission Provider and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to Transmission 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) Transmission 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. Transmission 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, Transmission 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 Transmission 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 Transmission 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.

**5.3.1** 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 Transmission Provider. Transmission 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. Transmission Provider must notify all Parties that it will exercise this option within sixty (60) Calendar Days of notification that an Affected System Interconnection Customer has failed to provide payments or security under Article 4.1.

**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.

**5.4 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**. 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 5.3.2 of this Agreement.

**6.3 Disposition of Facilities Upon Termination of Agreement.**

**6.3.1 Transmission Provider Obligations**. Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, Transmission 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 Transmission 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 Transmission Provider, each Affected System Interconnection Customer shall reimburse Transmission Provider for its share of any costs incurred by Transmission 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. Transmission 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), Transmission 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 Transmission 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 Transmission Provider for any or all of such costs, Transmission Provider shall refund Affected System Interconnection Customer for those payments. If Transmission Provider elects to not retain any portion of such facilities, and one or more of Affected System Interconnection Customers wish to purchase such facilities, Transmission 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 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.

**8.1.6 Standard of Care**. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication, or dissemination. Each Party may use Confidential Information solely to fulfill

its obligations to the other Party under this Agreement or its regulatory requirements.

**8.1.7 Order of Disclosure**. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires 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.

**8.1.8 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, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 shall survive such termination.

**8.1.9 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.

**8.1.10 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.

**8.1.11** Subject to the exception in Article 8.1.10, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement ("Confidential Information") 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 Transmission 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 Transmission 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 Transmission 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 Transmission 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 Transmission Provider:

To Affected System Interconnection Customers:

**10.4** **Execution**. Affected System Interconnection Customers shall either: (i) execute two originals of this tendered Agreement and return them to Transmission Provider; or request in writing that Transmission Provider commence service under this Agreement in unexecuted form subject to the Dispute Resolution Procedures under Section 13.5 of Transmission Provider's LGIP. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by Transmission 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 resolution of all disputes under Section 13.5 of Transmission Provider's LGIP.

## 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 Transmission Provider's 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.

**Transmission Provider**
**{Transmission 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 Appendix A is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Transmission Provider.

**1.1 Affected System Network Upgrade(s) to be installed by Transmission Provider.**

{description}

**1.2 First Equipment Order (including permitting).**

{description}

**1.2.1. Permitting and Land Rights – Transmission 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: Transmission Provider Construction Activities**

| MILESTONE NUMBER | DESCRIPTION | START DATE | END DATE |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

**Note**: Construction schedule assumes that Transmission 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 2: Affected System Interconnection Customers' Payment/Security Obligations for Affected System Network Upgrade(s).**

| MILESTONE NUMBER | DESCRIPTION | DATE |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

* Affected System Interconnection Customers' proportionate responsibility for each payment is as follows:

Affected System Interconnection Customer 1 ___._%

Affected System Interconnection Customer 2 ___._%

Affected System Interconnection Customer N ___._%

Note: Affected System Interconnection Customers' payment or provision of security as provided in this Agreement operates as a condition precedent to Transmission 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 Transmission Provider. Where applicable, when Transmission Provider has completed construction of the Affected System Network Upgrade(s), Transmission 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 {Transmission Provider} and {Affected System Interconnection Customers}, dated _____, 20___.

On {Date}, Transmission 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. Transmission Provider confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}

{Transmission Provider Representative}

## Attachment C to Appendix 12
## Multiparty Affected System Facilities Construction Agreement

## EXHIBITS

**This Appendix C is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Transmission Provider.**

**Exhibit A1**

**Transmission 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:** | |

# STANDARD LARGE GENERATOR

# INTERCONNECTION AGREEMENT (LGIA)

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## STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ____ day of _____20__, by and between _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Large Generating Facility),
and_____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Transmission Provider and/or Transmission Owner"). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

### Recitals

**WHEREAS**, Transmission Provider operates the Transmission System; and

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

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

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

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

### Article 1. Definitions

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

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

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

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

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

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

**Applicable Reliability Standards** shall mean the requirements and guidelines of the Electric Reliability Organization and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

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

**Breach** shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.

**Breaching Party** shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

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

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

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

**Cluster Restudy** shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of Transmission Provider's LGIP.

**Cluster Study** shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 7 of Transmission Provider's LGIP.

**Clustering** shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Section 7 of Transmission Provider's LGIP.

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

**Commercial Operation Date** of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

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

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

**Default** shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

**Dispute Resolution** shall mean the procedure for resolution of a dispute between the Parties in which they will attempt to resolve the dispute under Article 27 of this Agreement.

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

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

**Effective Date** shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties, or if requesting that service commence under an unexecuted LGIA subject to Transmission Provider's Dispute Resolution procedures, upon the date specified by Colorado Springs Utilities.

**Electric Reliability Organization** shall mean the North American Electric Reliability Corporation (NERC) or its successor organization.

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

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

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

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

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

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

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

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

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

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

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

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

**Interconnection Customer** shall mean any entity, including Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with Transmission Provider's Transmission System.

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

**Interconnection Facilities** shall mean Transmission 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 Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

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

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 3 of the Standard Large Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard Large Generator Interconnection Procedures, in accordance with Transmission Provider’s 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 Transmission Provider's Transmission System.

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

**Interconnection Study** shall mean any of the following studies: the Cluster Study, the Cluster Restudy, the Interconnection Facilities Study, the Affected System Study, Optional Interconnection Study, and Material Modification assessment, described in Transmission Provider's LGIP.

**IRS** shall mean the Internal Revenue Service.

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

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

**LGIA Deposit** shall mean the deposit Interconnection Customer submits when returning the executed LGIA, or within ten (10) Business Days of requesting that service commence under an unexecuted LGIA, in accordance with Section 11.3 of Transmission Provider's LGIP.

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

**Material Modification** shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with an equal or later Queue Position.

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the Standard Large Generator Interconnection

Agreement at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

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

**Network Resource Interconnection Service** shall mean an Interconnection Service that allows Interconnection Customer to integrate its Large Generating Facility with Transmission Provider's Transmission System (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

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

**Optional Interconnection Study** shall mean a sensitivity analysis based on assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement.

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

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

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

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

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

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

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

**Queue Position** shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Section 4.1 of Transmission Provider's LGIP.

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

**Scoping Meeting** shall mean the meeting between representatives of Interconnection Customer(s) and Transmission Provider conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.5 of Transmission Provider's LGIP , and analyzing such information.

**Site Control** shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to

construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility for such purpose; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Transmission Provider will maintain acreage requirements for each Generating Facility type on its OASIS or public website.

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

**Stand Alone Network Upgrades** shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Transmission Provider must provide Interconnection Customer a written technical explanation outlining why Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within twenty (20) Business Days of its determination.

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

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

**Substation Network Upgrades** shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.

**System Network Upgrades** shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.

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

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

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

**Transmission Provider** shall mean Colorado Springs Utilities.

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

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

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

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

**Withdrawal Penalty** shall mean the penalty assessed by Transmission Provider to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from Transmission 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 3.7.1 of Transmission Provider's LGIP.

## Article 2. Effective Date, Term, and Termination

### 2.1 Effective Date

shall mean the date on which this Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties, or if requesting that service commence under an unexecuted LGIA subject to Dispute Resolution procedures in Section 13.5 of Transmission Provider's LGIP, upon the date specified by Colorado Springs Utilities.

### 2.2 Term of Agreement

Subject to the provisions of Article 2.3, this LGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

### 2.3 Termination Procedures

**2.3.1 Written Notice** This LGIA may be terminated by Interconnection Customer after giving Transmission Provider ninety (90) Calendar Days advance written notice, or by Transmission Provider after the Generating Facility permanently ceases Commercial Operation.

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

**2.3.3** Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, and Dispute Resolution, if such procedure has been invoked under this agreement, has been resolved in favor of the terminating party.

### 2.4 Termination Costs

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

Upon termination of this LGIA, unless otherwise determined by Dispute Resolution:

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

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

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

**2.4.3** With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this LGIA, Interconnection Customer shall be responsible

for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

### 2.5 Disconnection

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

### 2.6 Survival

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

## Article 3. [Reserved]

## Article 4. Scope of Service

### 4.1 Interconnection Product Options

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

#### 4.1.1 Energy Resource Interconnection Service

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

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

### 4.1.2 Network Resource Interconnection Service

**4.1.2.1** **The Product** Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an ISO or RTO with market based congestion management, in the same manner as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Provider shall construct the facilities identified in Appendix A to this LGIA.

**4.1.2.2** **Transmission Delivery Service Implications** Network Resource Interconnection Service allows Interconnection Customer's Large Generating Facility to be designated by any Network Customer under Transmission Provider’s Tariff on Transmission Provider's Transmission System as a Network Resource, up to the Large Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under Transmission Provider’s Tariff can utilize its network service under Transmission Provider’s Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Large Generating Facility in the same manner as it accesses Network Resources. A Large Generating Facility receiving Network Resource Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the Large Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in

connection with the provision of such Ancillary Services by any existing Network Resource. However, if an Interconnection Customer's Large Generating Facility has not been designated as a Network Resource by any load, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all generating facilities that are similarly situated. The provision of Network Integration Transmission Service or firm Point-to-Point Transmission Service may require additional studies and the construction of additional upgrades. Because such studies and upgrades would be associated with a request for delivery service under Transmission Provider's Tariff, cost responsibility for the studies and upgrades would be in accordance with the provision of transmission delivery service under Transmission Provider's Tariff.

Network Resource Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the output of its Large Generating Facility to any particular load on Transmission Provider's Transmission System without incurring congestion costs. In the event of transmission constraints on Transmission Provider's Transmission System, Interconnection Customer's Large Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

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

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

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

**4.2 Provision of Service**

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

**4.3 Performance Standards**

Each Party shall perform all of its obligations under this LGIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this LGIA for its compliance therewith.

**4.4 No Transmission Delivery Service**

The execution of this LGIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission

Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

### 4.5 Interconnection Customer Provided Services

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

## Article 5. Interconnection Facilities Engineering, Procurement, and Construction

### 5.1 Options

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

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

**5.1.2 Alternate Option** If the dates designated by Interconnection Customer are acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities by the designated dates.

If Transmission Provider subsequently fails to complete Transmission Provider's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; Transmission Provider shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the applicable RTO or ISO refuses to grant clearances to install equipment.

**5.1.3 Option to Build**. Individual or Multiple Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2, if the requirements of this Article 5.1.3 are met. When multiple Interconnection Customers exercise this option, multiple Interconnection Customers may agree to exercise this option provided (1) all Transmission Provider's Interconnection Facilities and Stand Alone Network upgrades constructed under this option are only required for Interconnection Customers in a single Cluster and (2) all impacted Interconnection Customers execute and provide to Transmission Provider an agreement regarding responsibilities and payment for the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades planned to be built under this option. Transmission Provider and the individual Interconnection Customer or each of the multiple Interconnection Customer s must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. Except for Stand Alone Network Upgrades, Interconnection

Customer shall have no right to construct Network Upgrades under this option.

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

## 5.2 General Conditions Applicable to Option to Build

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

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

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

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

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

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

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

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

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

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

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

(11) Interconnection Customer shall deliver to Transmission Provider "as-built" drawings, information, and any other documents that are reasonably required by Transmission Provider to assure

that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

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

**5.3 Liquidated Damages**

The actual damages to Interconnection Customer, in the event Transmission Provider's Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Provider pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by Transmission Provider to Interconnection Customer in the event that Transmission Provider does not complete any portion of Transmission Provider's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of Transmission Provider's Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Provider has assumed responsibility to design, procure and construct.

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

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

### 5.4 Power System Stabilizers

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

### 5.5 Equipment Procurement

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

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

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

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

## 5.6 Construction Commencement

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

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

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

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

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

## 5.7 Work Progress

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

## 5.8 Information Exchange

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

**5.9 Other Interconnection Options.**

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

**5.9.2 Provisional Interconnection Service**. Upon the request of Interconnection Customer, and prior to completion of requisite Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities Transmission Provider may execute a Provisional Large Generator Interconnection Agreement or Interconnection Customer may request service to commence under an unexecuted Provisional Large Generator Interconnection Agreement with Interconnection Customer for limited Interconnection Service at the discretion of Transmission Provider based upon an evaluation that will consider the results of available studies. Transmission Provider shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if Interconnection Customer interconnects without modifications to the Generating Facility or Transmission System. Transmission Provider shall determine whether any Interconnection Facilities, Network Upgrades, Distribution Upgrades, or System Protection Facilities that are necessary to meet the requirements of the

Electric Reliability Organization, or any applicable Regional Entity for the interconnection of a new, modified and/or expanded Generating Facility are in place prior to the commencement of Interconnection Service from the Generating Facility. Where available studies indicate that such, Interconnection Facilities, Network Upgrades, Distribution Upgrades, and/or System Protection Facilities that are required for the interconnection of a new, modified and/or expanded Generating Facility are not currently in place, Transmission Provider will perform a study, at Interconnection Customer's expense, to confirm the facilities that are required for Provisional Interconnection Service. The maximum permissible output of the Generating Facility in the Provisional Large Generator Interconnection Agreement shall be studied and updated Large Generator Interconnection Agreement shall be studied and updated on an annual basis, unless no changes to the system occurred during the annual period, at Interconnection Customer's expense. Interconnection Customer assumes all risk and liabilities with respect to changes between the Provisional Large Generator Interconnection Agreement and the Large Generator Interconnection Agreement, including changes in output limits and Interconnection Facilities, Network Upgrades, Distribution Upgrades, and/or System Protection Facilities cost responsibilities.

### 5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

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

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

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

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

## 5.11 Transmission Provider's Interconnection Facilities Construction

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

Transmission Provider will obtain control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

### 5.12 Access Rights

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

### 5.13 Lands of Other Property Owners

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

### 5.14 Permits

Transmission Provider or Transmission Owner and Interconnection Customer shall cooperate with each other in good faith in obtaining all

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

### 5.15 Early Construction of Base Case Facilities

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

### 5.16 Suspension

Interconnection Customer reserves the right, upon written notice to Transmission Provider, to suspend at any time all work by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this LGIA with the condition that Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so.

Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Transmission Provider required under this LGIA pursuant to this Article

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

## 5.17 Taxes

**5.17.1 Interconnection Customer Payments Not Taxable** The Parties intend that all payments or property transfers made by Interconnection Customer to Transmission Provider for the installation of Transmission Provider's Interconnection Facilities and the Network Upgrades shall be non-taxable consistent with the status of Transmission Provider as a municipal entity under applicable tax law and regulations.

**5.17.2 Indemnification for the Cost Consequences of Current Tax Liability** Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any tax liability imposed against Transmission Provider as the result of payments, property transfers, or use of Transmission Provider’s facilities by Interconnection Customer under this LGIA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

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

## 5.18 Tax Status

Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this LGIA is intended to adversely affect any Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

## 5.19 Modification

**5.19.1 General** Either Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party sufficient information regarding such modification so that the other Party may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

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

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

**5.19.3 Modification Costs** Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Provider makes to Transmission Provider's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Provider's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's

Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

## Article 6. Testing and Inspection

### 6.1 Pre-Commercial Operation Date Testing and Modifications

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

### 6.2 Post-Commercial Operation Date Testing and Modifications

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

### 6.3 Right to Observe Testing

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

### 6.4 Right to Inspect

Each Party shall have the right, but shall have no obligation to: (i) observe the other Party's tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review the other Party's maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. A Party may

exercise these rights from time to time as it deems necessary upon reasonable notice to the other Party. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this LGIA.

## Article 7. Metering

### 7.1 General

Each Party shall comply with the Electric Reliability Organization requirements. Unless otherwise agreed by the Parties, Transmission Provider shall install Metering Equipment at the Point of Interconnection prior to any operation of the Large Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Large Generating Facility shall be measured at or, at Transmission Provider's option, compensated to, the Point of Interconnection. Transmission Provider shall provide metering quantities, in analog and/or digital form, to Interconnection Customer upon request. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

### 7.2 Check Meters

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

### 7.3 Standards

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

### 7.4 Testing of Metering Equipment

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

### 7.5 Metering Data

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

## Article 8. Communications

### 8.1 Interconnection Customer Obligations

Interconnection Customer shall maintain satisfactory operating communications with Transmission Provider's Transmission System dispatcher or representative designated by Transmission Provider. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its Large Generating Facility

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

### 8.2 Remote Terminal Unit

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

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

### 8.3 No Annexation

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

### 8.4 Provision of Data from a Variable Energy Resource

Interconnection Customer whose Generating Facility contains at least one Variable Energy Resource shall provide meteorological and forced outage

data to Transmission Provider to the extent necessary for Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide Transmission Provider with site-specific meteorological data including: temperature, wind speed, wind direction, and atmospheric pressure. Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. Transmission Provider and Interconnection Customer whose Generating Facility contains a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. Interconnection Customer whose Generating Facility contains a Variable Energy Resource also shall submit data to Transmission Provider regarding all forced outages to the extent necessary for Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by Interconnection Customer to Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological and forced outage data must be commensurate with the power production forecasting employed by Transmission Provider. Such requirements for meteorological and forced outage data are set forth in Appendix C, Interconnection Details, of this LGIA, as they may change from time to time.

## Article 9. Operations

### 9.1 General

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

### 9.2 Balancing Authority Area Notification

At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider in writing of the Balancing

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

### 9.3 Transmission Provider Obligations

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

### 9.4 Interconnection Customer Obligations

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

### 9.5 Start-Up and Synchronization

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

## 9.6 Reactive Power

### 9.6.1 Power Factor Design Criteria

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

**9.6.1.2** **Non-Synchronous Generation** Interconnection Customer shall design the Large Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider has established a different power factor range that applies to all non-synchronous generators in the Balancing Authority Area on a comparable basis. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnecting non-synchronous generators that have not yet executed a Facilities Study Agreement as of the effective date of the Final Rule establishing this requirement (Order No. 827).

**9.6.2 Voltage Schedules.** Once Interconnection Customer has synchronized the Large Generating Facility with the Transmission System, Transmission Provider shall require Interconnection Customer to operate the Large Generating Facility to produce or absorb reactive power within the design limitations of the Large Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Provider's voltage schedules shall treat all

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

**9.6.2.1** **Voltage Regulators**. Whenever the Large Generating Facility is operated in parallel with the Transmission System and voltage regulators are capable of operation, Interconnection Customer shall operate the Large Generating Facility with its voltage regulators in automatic operation. If the Large Generating Facility's voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify Transmission Provider's system operator, or its designated representative, and ensure that such Large Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Large Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Large Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Large Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the Balancing Authority Area on a comparable basis.

**9.6.3 Payment for Reactive Power.** Transmission Provider is required to pay Interconnection Customer for reactive power that

Interconnection Customer provides or absorbs from the Large Generating Facility when Transmission Provider requests Interconnection Customer to operate its Large Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.6 or such other agreement to which the Parties have otherwise agreed.

**9.6.4 Primary Frequency Response**. Interconnection Customer shall ensure the primary frequency response capability of its Large Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term "functioning governor or equivalent controls" as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Large Generating Facility's real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ±0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved Electric Reliability Organization reliability standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Large Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based an approved Electric Reliability Organization reliability standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Large Generating Facility's real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Large Generating Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved Electric Reliability Organization reliability standard providing for an equivalent or more stringent parameter.

Interconnection Customer shall notify Transmission Provider that the primary frequency response capability of the Large Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Large Generating Facility with the Transmission System, Interconnection Customer shall operate the Large Generating Facility consistent with the provisions specified in articles 9.6.4.1 and 9.6.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Large Generating Facilities.

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

or equivalent controls into service as soon as practicable. Interconnection Customer shall make Reasonable Efforts to keep outages of the Large Generating Facility's governor or equivalent controls to a minimum whenever the Large Generating Facility is operated in parallel with the Transmission System.

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

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

frequency response capability in accordance with the droop and deadband capability requirements specified in article 9.6.4, but shall be otherwise exempt from the operating requirements in articles 9.6.4, 9.6.4.1, 9.6.4.2, and 9.6.4.4 of this Agreement.

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

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with article 9.6.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/or

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

## 9.7 Outages and Interruptions

### 9.7.1 Outages

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

**9.7.1.2** **Outage Schedules** Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Large Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its planned maintenance schedules as necessary. Transmission

Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Interconnection Customer had modified its schedule of maintenance activities.

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

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

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

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

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

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

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

**9.7.3 Ride Through Capability and Over Frequency Conditions Performance**. The Transmission System is designed to automatically activate a load-shed program as required by the Electric Reliability Organization in the event of an under-frequency system disturbance. Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the Electric

Reliability Organization to ensure frequency “ride through” capability of the Transmission System. Large Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with Transmission Provider in accordance with Good Utility Practice. Interconnection Customer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by the Electric Reliability Organization to ensure voltage “ride through” capability of the Transmission System. The term “ride through” as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency, over-frequency, under-voltage, and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other Generating Facilities in the Balancing Authority Area on a comparable basis. For abnormal frequency conditions and voltage conditions within the “no trip zone” defined by Reliability Standard PRC-024-3 or successor mandatory ride through reliability standards, the non-synchronous Large Generating Facility must ensure that, within any physical limitations of the Large Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

### 9.7.4 System Protection and Other Control Requirements

**9.7.4.1** **System Protection Facilities** Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission

Provider shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Provider's Interconnection Facilities or the Transmission System as a result of the interconnection of the Large Generating Facility and Interconnection Customer's Interconnection Facilities.

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

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

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

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

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

### 9.7.5 Requirements for Protection

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

### 9.7.6 Power Quality

Neither Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

## 9.8 Switching and Tagging Rules

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

### 9.9 Use of Interconnection Facilities by Third Parties

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

**9.9.2 Third Party Users** If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use Transmission Provider's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to Dispute Resolution.

### 9.10 Disturbance Analysis Data Exchange

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

## Article 10. Maintenance

**10.1 Transmission Provider Obligations** Transmission Provider shall maintain the Transmission System and Transmission Provider's

Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.

**10.2 Interconnection Customer Obligations** Interconnection Customer shall maintain the Large Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.

**10.3 Coordination** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Large Generating Facility and the Interconnection Facilities.

**10.4 Secondary Systems** Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact the other Party. Each Party shall provide advance notice to the other Party before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

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

## Article 11. Performance Obligation

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

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

**11.3 Network Upgrades and Distribution Upgrades** Transmission Provider or Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution

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Upgrades. Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless Transmission Provider or Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by Interconnection Customer.

**11.4** [Reserved]

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**11.5 Provision of Security** At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment, as specified in Appendix B of this LGIA, shall be in an amount sufficient to cover the costs for constructing, procuring and installing the applicable portion of

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Transmission Provider's Interconnection Facilities. Transmission Provider must use the LGIA Deposit required in Section 11.3 of Transmission Provider's LGIP before requiring Interconnection Customer to submit security in addition to that LGIA Deposit. Transmission Provider must specify, in Appendix B of this LGIA, the dates for which Interconnection Customer must provide additional security for construction of each discrete portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and Interconnection Customer must provide such additional security.

Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes.

In addition:

**11.5.1** The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

**11.5.2** The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

**11.5.3** The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

### 11.6 Interconnection Customer Compensation

If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this LGIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service (s) is subject to an RTO or ISO FERC-approved rate schedule. Interconnection Customer shall serve Transmission Provider or RTO or ISO with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time Interconnection Customer is required to provide or absorb any Reactive Power under this LGIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time

service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

**11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition** Transmission Provider or RTO or ISO shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.6.

## Article 12. Invoice

**12.1 General** Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this LGIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

**12.2 Final Invoice** Within six months after completion of the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades, Transmission Provider shall provide an invoice of the final cost of the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

**12.3 Payment** Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by either Party will not constitute a waiver of any rights or claims either Party may have under this LGIA.

**12.4 Disputes** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this LGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Transmission Provider may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

## Article 13. Emergencies

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

**13.2 Obligations** Each Party shall comply with the Emergency Condition procedures of the applicable ISO/RTO, the Electric Reliability Organization, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

**13.3 Notice** Transmission Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Provider's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider promptly when it becomes aware of an

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

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

**13.5 Transmission Provider Authority**

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

Transmission Provider shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider may, on the basis of technical considerations, require the Large Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Large Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Large Generating

Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's operating instructions concerning Large Generating Facility real power and reactive power output within the manufacturer's design limitations of the Large Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

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

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

**13.7 Limited Liability** Except as otherwise provided in Article 11.6.1 of this LGIA, neither Party shall be liable to the other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

## Article 14. Regulatory Requirements and Governing Law

### 14.1 Regulatory Requirements

Each Party's obligations under this LGIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this LGIA shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act, the Public Utility Holding Company Act of 1935, as amended, or the Public Utility Regulatory Policies Act of 1978.

### 14.2 Governing Law

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

**14.2.2** This LGIA is subject to all Applicable Laws and Regulations.

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

## Article 15. Notices

### 15.1 General

Unless otherwise provided in this LGIA, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party,

or personally delivered to the Party, at the address set out in Appendix F, Addresses for Delivery of Notices and Billings.

Either Party may change the notice information in this LGIA by giving five (5) Business Days written notice prior to the effective date of the change.

### 15.2 Billings and Payments

Billings and payments shall be sent to the addresses set out in Appendix F.

### 15.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.

### 15.4 Operations and Maintenance Notice

Each Party shall notify the other Party in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

## Article 16. Force Majeure

### 16.1 Force Majeure

**16.1.1** Economic hardship is not considered a Force Majeure event.

**16.1.2** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

## Article 17. Default

### 17.1 Default

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

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

**17.2 Violation of Operating Assumptions for Generating Facilities**. If Transmission Provider requires Interconnection Customer to memorialize the operating assumptions for the charging behavior of a Generating Facility that includes at least one electric storage resource in Appendix H of this LGIA, Transmission Provider may consider Interconnection Customer to be in Breach of this LGIA if Interconnection Customer fails to operate the Generating Facility in accordance with those operating assumptions for charging behavior. However, if Interconnection Customer operates contrary to the operating assumptions for charging behavior specified in Appendix H of this LGIA at the direction of Transmission Provider, Transmission Provider shall not consider Interconnection Customer in Breach of this LGIA.

## Article 18. Indemnity, Consequential Damages and Insurance

### 18.1 Indemnity

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

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

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

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

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal

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

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

### 18.2 Consequential Damages

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

### 18.3 Insurance

Each party shall, at its own expense, maintain in force throughout the period of this LGIA, and until released by the other Party, the following

minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

**18.3.1** Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of Colorado.

**18.3.2** Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars ($1,000,000) per occurrence/One Million Dollars ($1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

**18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) for bodily injury, including death, and property damage.

**18.3.4** Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum of Twenty Million Dollars ($20,000,000) per occurrence.

**18.3.5** Professional Liability, Errors & Omissions, Information/Network Security and/or Cyber Liability Insurance coverage for infringement of intellectual property (excepting only patent infringement), failures in systems and information security, breach of confidentiality and invasion of or breach of privacy, with a minimum, per claim limit, of Five Million Dollars ($5,000,000).

**18.3.6** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional

insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this LGIA against the Other Party Group and provide, to the extent commercially reasonably available, thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

**18.3.7** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, Excess Public Liability Insurance, and Professional Liability, Errors & Omissions, Information/Network Security and/or Cyber Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

**18.3.8** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, Excess Public Liability Insurance, and Professional Liability, Errors & Omissions, Information/Network Security and/or Cyber Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

**18.3.9** The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this LGIA.

**18.3.10** Within ten (10) Business Days following execution of this LGIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, each Party shall provide certification of all insurance required in this LGIA, executed by each insurer or by an authorized representative of each insurer.

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

**18.3.12** The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this LGIA.

**18.3.13** The types of insurance and limit required above may be satisfied through a combination of self-insured retentions, primary, and excess insurance.

## Article 19. Assignment

### 19.1 Assignment

This LGIA may be assigned by either Party only with the written consent of the other; provided that either Party may assign this LGIA without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this LGIA; and provided further that Interconnection Customer shall have the right to assign this LGIA, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission

Provider of the date and particulars of any such exercise of assignment right(s), including providing Transmission Provider with proof that it meets the requirements of Articles 11.5 and 18.3. Any attempted assignment that violates this article is void and ineffective. Any assignment under this LGIA shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

## Article 20. Severability

### 20.1 Severability

If any provision in this LGIA is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this LGIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Provider) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

## Article 21. Comparability

### 21.1 Comparability

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

## Article 22. Confidentiality

### 22.1 Confidentiality

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

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

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

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

**22.1.2** **Scope** Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this LGIA; or (6) is required, in accordance with Article 22.1.7 of this LGIA, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this LGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

**22.1.3** **Release of Confidential Information** Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this LGIA, unless

such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

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

**22.1.5** **No Warranties** By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

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

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

confidential treatment will be accorded any Confidential Information so furnished.

**22.1.8 Termination of Agreement** Upon termination of this LGIA for any reason, each Party shall, within ten (10) 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

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

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

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

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

## Article 23. Environmental Releases

**23.1** Each Party shall notify the other Party, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Large Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party

shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

## Article 24. Information Requirements

### 24.1 Information Acquisition

Transmission Provider and Interconnection Customer shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards.

### 24.2 Information Submission by Transmission Provider

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

### 24.3 Updated Information Submission by Interconnection Customer

The updated information submission by Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to Transmission Provider’s LGIP. It shall also include any additional information provided to Transmission Provider for the Cluster Study and Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study Agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on Transmission Provider Transmission System based on the actual data submitted pursuant to this Article 24.3. Interconnection Customer shall not begin Trial Operation until such studies are completed.

### 24.4 Information Supplementation

Prior to the Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" Large Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. Interconnection Customer shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Large Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Large Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses of Large Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Large Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Large Generating Facility terminal or field voltages is provided. Large Generating Facility testing shall be conducted and results provided to Transmission Provider for each individual generating unit in a station.

Subsequent to the Operation Date, Interconnection Customer shall provide Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Provider shall provide Interconnection Customer any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Provider-owned substation that may affect Interconnection Customer's Interconnection Facilities equipment ratings,

protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

## Article 25. Information Access and Audit Rights

### 25.1 Information Access

Each Party (the "disclosing Party") shall make available to the other Party information that is in the possession of the disclosing Party and is necessary in order for the other Party to: (i) verify the costs incurred by the disclosing Party for which the other Party is responsible under this LGIA; and (ii) carry out its obligations and responsibilities under this LGIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this LGIA.

### 25.2 Reporting of Non-Force Majeure Events

Each Party (the "notifying Party") shall notify the other Party when the notifying Party becomes aware of its inability to comply with the provisions of this LGIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this LGIA.

### 25.3 Audit Rights

Subject to the requirements of confidentiality under Article 22 of this LGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit at its own expense the other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this LGIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, and each Party's actions in an Emergency Condition. Any audit authorized by this article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and

satisfaction of obligations under this LGIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

### 25.4 Audit Rights Periods

**25.4.1 Audit Rights Period for Construction-Related Accounts and Records** Accounts and records related to the design, engineering, procurement, and construction of Transmission Provider's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Provider's issuance of a final invoice in accordance with Article 12.2.

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

### 25.5 Audit Results

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

## Article 26. Subcontractors

### 26.1 General

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

### 26.2 Responsibility of Principal

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

### 26.3 No Limitation by Insurance

The obligations under this Article 26 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

## Article 27. Disputes

### 27.1 Submission

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this LGIA or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such dispute may be resolved in accordance with the formal Dispute Resolution procedures set forth below.

### 27.2 Formal Dispute Resolution Procedures

If the Parties mutually agree that non-binding arbitration conducted under the auspices of Colorado Springs Utilities' Regulatory Authority should occur, then any non-binding arbitration initiated under these Procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to non-binding arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall

not have any current or past substantial business or financial relationships with any party to the non-binding arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the non-binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.

### 27.3 Non-Binding Arbitration Decisions

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a non-binding decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this LGIA and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator (s) shall be presented to Colorado Springs Utilities' Regulatory Authority for issuance of a resolution that is binding upon the Parties.

### 27.4 Costs

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

### 27.5 Rights Under The Law

If the attempted informal Dispute Resolution fails or the formal Dispute Resolution process is not undertaken, either Party may exercise whatever rights and remedies it may have in equity or law.

## Article 28. Representations, Warranties, and Covenants

### 28.1 General

Each Party makes the following representations, warranties and covenants:

**28.1.1 Good Standing** Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Interconnection Facilities and Network

Upgrades owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this LGIA and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this LGIA.

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

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

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

## Article 29. Joint Operating Committee

### 29.1 Joint Operating Committee

Except in the case of ISOs and RTOs, Transmission Provider shall constitute a Joint Operating Committee to coordinate operating and technical considerations of Interconnection Service. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each

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

**29.1.1** Establish data requirements and operating record requirements.

**29.1.2** Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

**29.1.3** Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Provider's and Interconnection Customer's facilities at the Point of Interconnection.

**29.1.4** Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Large Generating Facility and other facilities that impact the normal operation of the interconnection of the Large Generating Facility to the Transmission System.

**29.1.5** Ensure that information is being provided by each Party regarding equipment availability.

**29.1.6** Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

## Article 30. Miscellaneous

### 30.1 Binding Effect

This LGIA and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

### 30.2 Conflicts

In the event of a conflict between the body of this LGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this LGIA shall prevail and be deemed the final intent of the Parties.

### 30.3 Rules of Interpretation

This LGIA, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this LGIA, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this LGIA), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this LGIA or such Appendix to this LGIA, or such Section to Transmission Provider’s LGIP or such Appendix to Transmission Provider’s LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this LGIA as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

### 30.4 Entire Agreement

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

### 30.5 No Third Party Beneficiaries

This LGIA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

### 30.6 Waiver

The failure of a Party to this LGIA to insist, on any occasion, upon strict performance of any provision of this LGIA will not btoe considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

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

### 30.7 Headings

The descriptive headings of the various Articles of this LGIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this LGIA.

### 30.8 Multiple Counterparts

This LGIA may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

### 30.9 Amendment

The Parties may by mutual agreement amend this LGIA by a written instrument duly executed by the Parties.

### 30.10 Modification by the Parties

The Parties may by mutual agreement amend the Appendices to this LGIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this LGIA upon satisfaction of all Applicable Laws and Regulations.

### 30.11 No Partnership

This LGIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

**IN WITNESS WHEREOF**, the Parties have executed this LGIA in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

**{Insert name of Transmission Provider or Transmission Owner, if applicable}**

| | |
|---|---|
| By: | By: |
| Title: | Title: |
| Date: | Date: |

**{Insert name of Interconnection Customer}**

By:

Title:

Date:

## Appendix A to LGIA
## Interconnection Facilities, Network Upgrades and Distribution Upgrades

**1. Interconnection Facilities:**

**(a) {insert Interconnection Customer's Interconnection Facilities}:**

**(b) {insert Transmission Provider's Interconnection Facilities}:**

**2. Network Upgrades:**

**(a) {insert Stand Alone Network Upgrades}:**

**(b) {insert Substation Network Upgrades}:**

**(c) {insert System Network Upgrades}:**

**3. Distribution Upgrades:**

## Appendix B to LGIA
## Milestones

### Site Control

Check box if applicable **{ }**

Interconnection Customer with qualifying regulatory limitations must demonstrate 100% Site Control by {Transmission Provider to insert date one hundred eighty (180) Calendar Days from the effective date of this LGIA} or this LGIA may be terminated per Article 17 (Default) of this LGIA and Interconnection Customer may be subject to Withdrawal Penalties per Section 3.7.1.1 of Transmission Provider's LGIP (Calculation of the Withdrawal Penalty).

# Appendix C to LGIA
# Interconnection Details

## Appendix D to LGIA
## Security Arrangements Details

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

## Appendix E to LGIA
## Commercial Operation Date

This Appendix E is a part of this LGIA between Transmission Provider and Interconnection Customer.

**{Date}**

**{Transmission Provider Address}**

Re: _____ Large Generating Facility

Dear _____:

On **{Date} {Interconnection Customer}** has completed Trial Operation of Unit No. ___. This letter confirms that {Interconnection Customer} commenced Commercial Operation of Unit No. ___ at the Large Generating Facility, effective as of **{Date plus one day}**.

Thank you.

**{Signature}**

**{Interconnection Customer Representative}**

## Appendix F to LGIA
## Addresses for Delivery of Notices and Billings

**Notices:**

Transmission Provider:

{To be supplied.}

Interconnection Customer:

{To be supplied.}

**Billings and Payments:**

Transmission Provider:

{To be supplied.}

Interconnection Customer:

{To be supplied.}

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

Transmission Provider:

{To be supplied.}

Interconnection Customer:

{To be supplied.}

## Appendix G to LGIA
## Interconnection Requirements for a Wind Generating Plant

Appendix G sets forth requirements and provisions specific to a wind generating plant or a Generating Facility that contains a wind generating plant. All other requirements of this LGIA continue to apply to wind generating plant interconnections.

### A. Technical Standards Applicable to a Wind Generating Plant

#### i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

**Transition Period LVRT Standard**

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

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively

disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by Transmission Provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the transmission interconnection voltage or "GSU"), after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the Transmission System.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAR Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the

remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

**Post-transition Period LVRT Standard**

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

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by Transmission Provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the Transmission System. A wind generating plant shall remain interconnected during such a fault on the Transmission System for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAR Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

**ii. Power Factor Design Criteria (Reactive Power)**

The following reactive power requirements apply only to a newly interconnecting wind generating plant that has executed a Facilities Study Agreement as of the effective date of the Final Rule establishing the reactive power requirements for non-synchronous generators in Article 9.6.1 of this LGIA (Order No. 827). A wind generating plant to which this provision applies shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this LGIA, if Transmission Provider's Cluster Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output,

etc.) or fixed and switched capacitors if agreed to by Transmission Provider, or a combination of the two. Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the Cluster Study shows this to be required for system safety or reliability.

**iii. Supervisory Control and Data Acquisition (SCADA) Capability**

The wind plant shall provide SCADA capability to transmit data and receive instructions from Transmission Provider to protect system reliability. Transmission Provider and the wind plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

## Appendix H to LGIA
## Operating Assumptions for Generating Facility

Check box if applicable {}

Operating Assumptions:

**{insert operating assumptions that reflect the charging behavior of the Generating Facility that includes at least one electric storage resource}**

# SMALL GENERATOR

# INTERCONNECTION PROCEDURES (SGIP)

## (For Generating Facilities No Larger Than 20 MW)

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## Section 1. Application

1.1 Applicability

1.1.1 A request to interconnect a certified Small Generating Facility (See Attachments 3 and 4 for description of certification criteria) to the Transmission Provider's Distribution System shall be evaluated under the section 2 Fast Track Process if the eligibility requirements of section 2.1 are met. A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kilowatts (kW) shall be evaluated under the Attachment 5 10 kW Inverter Process. A request to interconnect a Small Generating Facility no larger than 20 megawatts (MW) that does not meet the eligibility requirements of section 2.1, or does not pass the Fast Track Process or the 10 kW Inverter Process, shall be evaluated under the section 3 Study Process. If the Interconnection Customer wishes to interconnect its Small Generating Facility using Network Resource Interconnection Service, it must do so under the Standard Large Generator Interconnection Procedures and execute the Standard Large Generator Interconnection Agreement.

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

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

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

1.1.5 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. All Transmission Providers, market participants, and Interconnection Customers interconnected with electric systems are expected to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for electric system infrastructure

and operational security, including physical, operational, and cyber-security practices.

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

1.2 Pre-Application

1.2.1 The Transmission Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Transmission Provider's Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Transmission Provider's Transmission System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The Transmission 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 for a pre-application report on a proposed project at a specific site. The Transmission Provider shall provide the pre-application data described in section 1.2.3 to the Interconnection Customer within 20 Business Days of receipt of the completed request form and payment of the $300 fee. The pre-application report produced by the Transmission Provider is nonbinding, does not confer any rights, and the Interconnection Customer must still successfully apply to interconnect to the Transmission 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, the Transmission Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by the Transmission Provider does not necessarily indicate, after application of the screens and/or study, that this would be the circuit the project ultimately connects to. The 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 the Transmission Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If the Transmission Provider cannot complete all or some of a pre-application report due to lack of available data, the Transmission Provider shall provide the 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, the Transmission 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 Request

The Interconnection Customer shall submit its Interconnection Request to the Transmission Provider, together with the processing fee or deposit specified in the Interconnection Request. The Interconnection Request shall be date- and time-stamped upon receipt. The original date- and time-stamp applied to the Interconnection Request at the time of its original submission shall be accepted as the qualifying date- and time-stamp for the purposes of any timetable in these procedures. The Interconnection Customer shall be notified of receipt by the Transmission Provider within three Business Days of receiving the Interconnection Request. The Transmission Provider shall notify the Interconnection Customer within ten Business Days of the receipt of the Interconnection Request as to whether the Interconnection Request is complete or incomplete. If the Interconnection Request is incomplete, the Transmission Provider shall provide along with the notice that the Interconnection Request is incomplete, a written list detailing all information that must be provided to complete the Interconnection Request. The Interconnection Customer will have ten Business Days after receipt of the notice to submit the listed information or to request an extension of time to provide such information. If the Interconnection Customer does not provide the listed information or a request for an extension of time within the deadline, the Interconnection Request will be deemed withdrawn. An Interconnection Request will be deemed complete upon submission of the listed information to the Transmission Provider.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Small Generating Facility not agreed to in writing by Transmission Provider and the Interconnection Customer may be deemed a withdrawal of the Interconnection Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken. Any such modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment 2 of this SGIP.

1.5 Site Control

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

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

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

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

1.6 Queue Position

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

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

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

## Section 2. Fast Track Process

2.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with the Transmission Provider's Distribution System if the Small Generating Facility's capacity does not exceed the size limits identified in the table below. Small 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 Small Generating Facility will pass the Fast Track screens in section 2.2.1 below or the Supplemental Review screens in section 2.4.4 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 Small 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 Small 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, the Interconnection Customer's proposed Small Generating Facility must meet the codes, standards, and certification requirements of Attachments 3 and 4 of these procedures, or the Transmission Provider has to have reviewed the design or tested the proposed Small 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 ≤ 2.5 Electrical Circuit Miles from Substation[2]** |
| < 5 kV | ≤ 500 kW | ≤ 500 kW |
| ≥ 5 kV and < 15 kV | ≤ 2 MW | ≤ 3 MW |
| ≥ 15 kV and < 30 kV | ≤ 3 MW | ≤ 4 MW |
| ≥ 30 kV and ≤ 69 kV | ≤ 4 MW | ≤ 5 MW |

2.2 Initial Review

Within 15 Business Days after the Transmission Provider notifies the Interconnection Customer it has received a complete Interconnection Request, the Transmission Provider shall perform an initial review using the screens set forth below, shall notify the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Transmission Provider's determinations under the screens.

2.2.1 Screens

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

[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.

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

2.2.1.3 For interconnection of a proposed Small Generating Facility to the load side of spot network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed the smaller of 5 % of a spot network's maximum load or 50 kW[3].

2.2.1.4 The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 % to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

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

2.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating

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

over-voltages on the Transmission Provider's electric power system due to a loss of ground during the operating time of any anti-islanding function.

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

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

2.2.1.8 If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

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

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

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

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

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

2.3 Customer Options Meeting

If the Transmission Provider determines the Interconnection Request cannot be approved without (1) minor modifications at minimal cost, (2) a supplemental study or other additional studies or actions, or (3) incurring significant cost to address safety, reliability, or power quality problems, the Transmission Provider shall notify the Interconnection Customer of that determination within five Business Days after the determination and provide copies of all data and analyses underlying its conclusion. Within ten Business Days of the Transmission Provider's determination, the Transmission Provider shall offer to convene a customer options meeting with the Transmission Provider to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Small Generating Facility to be connected safely and reliably. At the time of notification of the Transmission Provider's determination, or at the customer options meeting, the Transmission Provider shall:

2.3.1 Offer to perform facility modifications or minor modifications to the Transmission Provider's electric system(e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Transmission Provider's electric system. If the Interconnection Customer agrees to pay for the modifications to the Transmission Provider’s electric system, the Transmission Provider will provide the Interconnection Customer with an executable interconnection agreement within ten Business Days of the customer options meeting; or

2.3.2 Offer to perform a supplemental review in accordance with section 2.4 and provide a non-binding good faith estimate of the costs of such review; or

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

2.4 Supplemental Review

2.4.1 To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing and submit a deposit for the estimated costs of the supplemental review in the amount of the Transmission Provider's good faith estimate of the costs of such review, both within 15 Business Days of the offer. If the written agreement and deposit have not been received by the Transmission Provider within that timeframe, the Interconnection Request shall continue to be evaluated under the section 3 Study Process unless it is withdrawn by the Interconnection Customer.

2.4.2 The Interconnection Customer may specify the order in which the Transmission Provider will complete the screens in section 2.4.4.

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

2.4.4 Within 30 Business Days following receipt of the deposit for a supplemental review, the Transmission Provider shall (1) perform a supplemental review using the screens set forth below; (2) notify in writing the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying the Transmission Provider's determinations under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Transmission Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in section 2.4.4.1, within two Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this section 2.4.4; (2) terminate the supplemental review and continue evaluating the Small Generating Facility under section 3; or (3) terminate the supplemental review upon withdrawal of the Interconnection Request by the Interconnection Customer.

2.4.4.1 Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Small 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 Small Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the Transmission Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under section 2.4.4.

2.4.4.1.1 The type of generation used by the proposed Small Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen 2.4.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e. 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

2.4. 4.1.2 When this screen is being applied to a Small Generating Facility that serves some station service load, only the net injection into the Transmission Provider's electric system will be considered as part of the aggregate generation.

2.4. 4.1.3 Transmission Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

2.4.4.2 Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics

Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.

2.4.4.3 Safety and Reliability Screen: The location of the proposed Small Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Transmission Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

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

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

2.4.4.3.3 Whether the proposed Small Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.

2.4.4.3.4 Whether the proposed Small Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

2.4.4.3.5 Whether operational flexibility is reduced by the proposed Small Generating Facility, such that transfer of the line section(s) of the Small Generating Facility to a neighboring distribution circuit/substation may trigger
overloads or voltage issues.

2.4.4.3.6 Whether the proposed Small Generating Facility

employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

2.4.5 If the proposed interconnection passes the supplemental screens in sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above, the Interconnection Request shall be approved and the Transmission Provider will provide the Interconnection Customer with an executable interconnection agreement within the timeframes established in sections 2.4.5.1 and 2.4.5.2 below. If the proposed interconnection fails any of the supplemental review screens and the Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under the section 3 Study Process consistent with section 2.4.5.3 below.

2.4.5.1 If the proposed interconnection passes the supplemental screens in sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above and does not require construction of facilities by the Transmission Provider on its own system, the interconnection agreement shall be provided within ten Business Days after the notification of the supplemental review results.

2.4.5.2 If interconnection facilities or minor modifications to the Transmission Provider's system are required for the proposed interconnection to pass the supplemental screens in sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above, and the Interconnection Customer agrees to pay for the modifications to the Transmission Provider’s electric system, the interconnection agreement, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to the Interconnection Customer within 15 Business Days after receiving written notification of the supplemental review results.

2.4.5.3 If the proposed interconnection would require more than interconnection facilities or minor modifications to the Transmission Provider’s system to pass the supplemental screens in sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above, the Transmission Provider shall notify the Interconnection Customer, at the same time it notifies the Interconnection Customer with the supplemental review results, that the Interconnection Request shall be evaluated under the

section 3 Study Process unless the Interconnection Customer withdraws its Small Generating Facility.

## Section 3. Study Process

3.1 Applicability

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

3.2 Scoping Meeting

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

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

3.2.3 The scoping meeting may be omitted by mutual agreement. In order to remain in consideration for interconnection, an Interconnection Customer who has requested a feasibility study must return the executed feasibility study agreement within 15 Business Days. If the Parties agree not to perform a feasibility study, the Transmission Provider shall provide the Interconnection Customer, no later than five Business Days after the scoping meeting, a system impact study agreement (Attachment 7) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study.

3.3 Feasibility Study

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

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

3.3.3 The scope of and cost responsibilities for the feasibility study are described in the attached feasibility study agreement (Attachment 6).

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

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

3.4 System Impact Study

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

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

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

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

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

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

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

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

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

3.5 Facilities Study

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

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

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

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

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

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

3.5.7 Upon completion of the facilities study, and with the agreement of the Interconnection Customer to pay for Interconnection Facilities and Upgrades identified in the facilities study, the Transmission Provider shall

provide the Interconnection Customer an executable interconnection agreement within five Business Days.

## Section 4. Provisions that Apply to All Interconnection Requests

4.1 Reasonable Efforts

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

4.2 Disputes

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

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

4.2.3 If the dispute has not been resolved within two Business Days after receipt of the Notice, the dispute resolution procedures of Tariff Section 12 will apply.

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

4.2.5 If neither Party elects to utilize the provisions of Section 12 of the Tariff, or if the attempted dispute resolution fails, or the formal dispute resolution process established under Tariff Section 12 is not undertaken, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of these procedures.

4.3 Interconnection Metering

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

4.4 Commissioning

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

4.5. Confidentiality

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

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

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

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

4.5.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1b.20, if FERC, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to these procedures, the Party shall provide the requested information to FERC, within the time provided for in

the request for information. In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC. The Party shall notify the other Party when it is notified by FERC that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR § 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

4.6 Comparability

The Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this document. The Transmission Provider shall use the same reasonable efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Small Generating Facility is owned or operated by the Transmission Provider or others.

4.7 Record Retention

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

4.8 Interconnection Agreement

After receiving an interconnection agreement from the Transmission Provider, the Interconnection Customer shall have 30 Business Days or another mutually agreeable timeframe to sign and return the interconnection agreement, or submit the unexecuted service agreement to the dispute resolution process described in Section 12 of the Tariff. If the Interconnection Customer does not sign the interconnection agreement, or submit the unexecuted service agreement to the dispute resolution process described in Section 12 of the Tariff within 30 Business Days, the Interconnection Request shall be deemed withdrawn. After the interconnection agreement is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the interconnection agreement.

4.9 Coordination with Affected Systems

The Transmission Provider shall coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System operators and, if possible, include those results (if available) in

its applicable interconnection study within the time frame specified in these procedures. The Transmission Provider will include such Affected System operators in all meetings held with the Interconnection Customer as required by these procedures. The Interconnection Customer will cooperate with the Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A Transmission Provider which may be an Affected System shall cooperate with the Transmission Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

4.10 Capacity of the Small Generating Facility

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

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

4.10.3 The Interconnection Request shall be evaluated using the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system. However, if the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Transmission Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the Transmission Provider's system. If the Transmission Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Transmission Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.

## Attachment 1
## Glossary of Terms

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

**Affected System –** An electric system other than Transmission Provider's Transmission System that may be affected by the proposed interconnection.

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

**Applicable Reliability Standards**–The requirements and guidelines of the Electric Reliability Organization and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

**Business Day –** Monday through Friday, excluding Federal Holidays.

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

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

**Fast Track Process** – The procedure for evaluating an Interconnection Request for a certified Small Generating Facility that meets the eligibility requirements of section 2.1 and includes the section 2 screens, customer options meeting, and optional supplemental review.

**Good Utility Practice** – Any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business

practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

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

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

**Interconnection Request** – Interconnection Customer's request, in accordance with the Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with Transmission Provider's Transmission System.

**Material Modification** – A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

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

**Network Resource Interconnection Service** – An Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with Transmission Provider's System (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

**Network Upgrades** – Additions, modifications, and upgrades to Transmission Provider's Transmission System required at or beyond the point at which the Small Generating Facility interconnects with Transmission Provider's Transmission

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

**Party or Parties** – Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

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

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

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

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

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

**Transmission Provider** – Colorado Springs Utilities.

**Transmission System** – The facilities owned, controlled or operated by Transmission Provider or Transmission Owner that are used to provide transmission service under Transmission Provider's Tariff.

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

## Attachment 2

## Small Generator Interconnection Request (Application Form)

**Transmission Provider:**

_____

Designated Contact Person: _____

Address: _____

Telephone Number:

_____

Fax: _____

E-Mail Address: _____

An Interconnection Request is considered complete when it provides all applicable and correct information required below. Per SGIP section 1.5, documentation of site control must be submitted with the Interconnection Request.

### Preamble and Instructions

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

### Processing Fee or Deposit:

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

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

### Interconnection Customer Information

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

Name: _____

Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Facility Location (if different from above): _____

Telephone (Day): _____ Telephone (Evening):_____

Fax: _____ E-Mail Address: _____

Alternative Contact Information (if different from the Interconnection Customer)

Contact Name: _____

Title: _____

Address: _____

_____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Application is for: _____New Small Generating Facility
_____Capacity addition to Existing Small Generating Facility

If capacity addition to existing facility, please describe: _____
_____

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

Net Metering? Yes ___ No ___
To Supply Power to the Interconnection Customer? Yes ___No ___
To Supply Power to Others? Yes ____ No ____

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

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

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

Contact Name: _____

Title: _____

Address: _____

_____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Requested Point of Interconnection: _____

Interconnection Customer's Requested In-Service Date: _____

**Small Generating Facility Information**

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

Energy Source: ___ Solar ___ Wind ___ Hydro ___ Hydro Type (e.g. Run-of-River):_____
Diesel ___ Natural Gas ___ Fuel Oil ___ Other (state type) _____

Prime Mover: ___Fuel Cell ___Recip Engine ___Gas Turb ___Steam Turb
___Microturbine ___PV ___Other

Type of Generator: ____Synchronous ____Induction ____ Inverter

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

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

Typical Reactive Load (if known): _____

Maximum Physical Export Capability Requested: _____ kW

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

| Equipment Type | Certifying Entity |
|---|---|
| 1. _____ | _____ |
| 2. _____ | _____ |
| 3. _____ | _____ |

4. _____ _____
5. _____ _____

Is the prime mover compatible with the certified protective relay package? ____Yes
____No

Generator (or solar collector)
Manufacturer, Model Name & Number: _____
Version Number: _____

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

Individual Generator Power Factor
Rated Power Factor: Leading: _____Lagging: _____

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

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

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

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

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

Max design fault contribution current: _____ Instantaneous ___ or RMS? _

Harmonics Characteristics: _____

Start-up requirements: _____

Small Generating Facility Characteristic Data (for rotating machines)

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

Synchronous Generators:

Direct Axis Synchronous Reactance, Xd: _____ P.U.
Direct Axis Transient Reactance, X'd: _____P.U.
Direct Axis Subtransient Reactance, X"d: _____P.U.
Negative Sequence Reactance, $X_2$: _____ P.U.
Zero Sequence Reactance, $X_0$: _____ P.U.
KVA Base: _____
Field Volts: _____
Field Amperes: _____

Induction Generators:

Motoring Power (kW): _____
I22t or K (Heating Time Constant): _____
Rotor Resistance, Rr: _____
Stator Resistance, Rs: _____
Stator Reactance, Xs: _____
Rotor Reactance, Xr: _____
Magnetizing Reactance, Xm: _____
Short Circuit Reactance, Xd": _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): _____
Reactive Power Required In Vars (Full Load): _____
Total Rotating Inertia, H: _____ Per Unit on kVA Base

Note: Please contact the Transmission Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

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

**Models for Non-synchronous Small Generating Facilities**

For a non-synchronous Small 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 Small Generating Facility; and (3) if applicable, a validated electromagnetic transient model if Transmission Provider performs an electromagnetic transient study as part of the interconnection study process. A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and represents the entities' control strategies but does not necessarily correspond to any generic library model. Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (e.g., an attestation from Interconnection Customer that the model accurately represents the entire Small Generating Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Small Generating Facility; or test data).

**Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models**

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| pvd1 | | PVD1 | Distributed PV system model |
| der_a | DERAU1 | DER_A | Distributed energy resource model |
| regc_a | REGCAU1, REGCA1 | REGC_A | Generator/converter model |
| regc_b | REGCBU1 | REGC_B | Generator/converter model |
| wt1g | WT1G1 | WT1G and WT1G1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt2g | WT2G1 | WT2G and WT2G1 | Generator model for generic Type-2 wind turbines |
| wt2e | WT2E1 | WT2E and WT2E1 | Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g |
| reec_a | REECAU1, REECA1 | REEC_A | Renewable energy electrical control model |
| reec_c | REECCU1 | REEC_C | Electrical control model for battery energy storage system |
| reec_d | REECDU1 | REEC_D | Renewable energy electrical control model |

| GE PSLF | Siemens PSS/E* | PowerWorld Simulator | Description |
|---|---|---|---|
| wt1t | WT12T1 | WT1T and WT12T1 | Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator) |
| wt1p_b | wt1p_b | WT12A1U_B | Generic wind turbine pitch controller for WTGs of Types 1 and 2 |
| wt2t | WT12T1 | WT2T | Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance) |
| wtgt_a | WTDTAU1, WTDTA1 | WTGT_A | Wind turbine drive train model |
| wtga_a | WTARAU1, WTARA1 | WTGA_A | Simple aerodynamic model |
| wtgp_a | WTPTAU1, WTPTA1 | WTGPT_A | Wind Turbine Generator Pitch controller |
| wtgq_a | WTTQAU1, WTTQA1 | WTGTRQ_A | Wind Turbine Generator Torque controller |
| wtgwgo_a | WTGWGOAU | WTGWGO_A | Supplementary control model for Weak Grids |
| wtgibffr_a | WTGIBFFRA | WTGIBFFR_A | Inertial-base fast frequency response control |
| wtgp_b | WTPTBU1 | WTGPT_B | Wind Turbine Generator Pitch controller |
| wtgt_b | WTDTBU1 | WTGT_B | Drive train model |
| repc_a | Type 4: REPCAU1 (v33), REPCA1 (v34) Type 3: REPCTAU1 (v33), REPCTA1 (v34) | REPC_A | Power Plant Controller |

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

**Interconnection Facilities Information**

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

**[Remainder of Page Intentionally Left Blank]**

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

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

Is the transformer: ____single phase _____three phase? Size: _____kVA
Transformer Impedance: _____% on _____kVA Base

If Three Phase:
Transformer Primary: _____ Volts _____ Delta _____Wye _____ Wye Grounded
Transformer Secondary: _____ Volts _____ Delta _____Wye _____ Wye Grounded
Transformer Tertiary: _____ Volts _____ Delta _____Wye _____ Wye Grounded

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

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

Manufacturer: _____ Type: _____ Size: _____Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer: _____ Type: _____
Load Rating (Amps): _____ Interrupting Rating (Amps): _____ Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

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

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

6. _____ _____ _____

If Discrete Components:

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

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

Current Transformer Data (If Applicable):

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

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: ____

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: ____

Potential Transformer Data (If Applicable):

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: ____

Manufacturer: _____
Type: _____ Accuracy Class: _____ Proposed Ratio Connection: ____

**General Information**

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

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

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

_____

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

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable). Are Schematic Drawings Enclosed? ___Yes ____No

**Applicant Signature**

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

For Interconnection Customer: _____Date: _____

## Attachment 3

## Certification Codes and Standards

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

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

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems

NFPA 70 (2002), National Electrical Code

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

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

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers

IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

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

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

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

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

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

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

## Attachment 4

## Certification of Small Generator Equipment Packages

1.0 Small Generating Facility equipment proposed for use separately or packaged with 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 SGIP Attachment 3, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.

2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the 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 small generator interconnection procedures shall be considered certified under these procedures for use in that state.

## Attachment 5

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

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

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

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

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

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

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

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

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

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

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

This Application is considered complete when it provides all applicable and correct information required below. Additional information to evaluate the Application may be required. Per SGIP section 1.5, documentation of site control must be submitted with the Interconnection Request.

Processing Fee

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

Interconnection Customer

Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Contact (if different from Interconnection Customer)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

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

Small Generating Facility Information

Location (if different from above): _____

Electric Service Company: _____

Account Number: _____

Inverter Manufacturer:_____Model_____

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

Single Phase _____ Three Phase_

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

Prime Mover: Photovoltaic ☐ Reciprocating Engine ☐ Fuel Cell ☐

Turbine ☐ Other _____

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

Fuel Oil ☐ Other (describe) _____

Is the equipment UL1741 Listed? Yes_____ No __

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

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

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

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

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

Interconnection Customer Signature

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

Signed: _____

Title: _____ Date: _____

Contingent Approval to Interconnect the Small Generating Facility

(For Company use only)

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

Company Signature: _____

Title: _____ Date: _____

Application ID number: _____

Company waives inspection/witness test? Yes___No___

## Small Generating Facility Certificate of Completion

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

Interconnection Customer:

_____

Contact Person:_____

Address: _____

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

_____

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Electrician:

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

License number: _____

Date Approval to Install Facility granted by the Company: _____

Application ID number: _____

Inspection:

The Small Generating Facility has been installed and inspected in compliance with the local

building/electrical code of _____

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

_____

Print Name: _____

Date: _____

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

Name: _____

Company: _____

Address:_____

_____

City, State ZIP: _____

Fax: _____

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

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

Company Signature: _____

Title: _____ Date: _____

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

1.0 **Construction of the Facility**

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

2.0 **Interconnection and Operation**

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

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

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

2.3 The Company has either:

2.3.1 Completed its inspection of the Small Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Company, at its own expense, within ten Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written statement that the Small Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

2.3.2 If the Company does not schedule an inspection of the Small Generating Facility within ten business days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or

2.3.3 The Company waives the right to inspect the Small Generating Facility.

2.4 The Company has the right to disconnect the Small Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

3.0 **Safe Operations and Maintenance**

The Customer shall be fully responsible to operate, maintain, and repair the Small Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4.0 **Access**

The Company shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Small Generating Facility at all times. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 **Disconnection**

The Company may temporarily disconnect the Small Generating Facility upon the following conditions:

5.1 For scheduled outages upon reasonable notice.

5.2 For unscheduled outages or emergency conditions.

5.3 If the Small Generating Facility does not operate in the manner consistent with these Terms and Conditions.

5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

6.0 **Indemnification**

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

7. 0 **Insurance**

The Parties agree to follow all applicable insurance requirements imposed by the state in which the Point of Interconnection is located. All insurance policies must be maintained with insurers authorized to do business in that state.

8.0 **Limitation of Liability**

Each party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

9.0 **Termination**

The agreement to operate in parallel may be terminated under the following conditions:

9.1 **By the Customer**

By providing written notice to the Company.

9.2 **By the Company**

If the Small Generating Facility fails to operate for any consecutive 12 month period or the Customer fails to remedy a violation of these Terms and Conditions.

9.3 **Permanent Disconnection**

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Small Generating Facility.

9.4 **Survival Rights**

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

10.0 **Assignment/Transfer of Ownership of the Facility**

This Agreement shall survive the transfer of ownership of the Small Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.

## Attachment 6

## Feasibility Study Agreement

**THIS AGREEMENT** is made and entered into this_____day of_____ 20___ by and between_____, a_____organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____, a_____ existing under the laws of the State of_____, ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

## RECITALS

**WHEREAS,** Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on_____; and

**WHEREAS,** Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System; and

**WHEREAS,** Interconnection Customer has requested the Transmission Provider to perform a feasibility study to assess the feasibility of interconnecting the proposed Small Generating Facility with the Transmission Provider's Transmission System, and of any Affected Systems;

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause to be performed an interconnection feasibility study consistent the standard Small Generator Interconnection Procedures in accordance with the Open Access Transmission Tariff.

3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The Transmission Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the feasibility study and as designated in accordance with the standard Small Generator Interconnection Procedures. If the Interconnection Customer modifies its Interconnection Request, the time to complete the feasibility study may be extended by agreement of the Parties.

5.0 In performing the study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.

6.0 The feasibility study report shall provide the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Small Generating Facility as proposed:

6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;

6.3 Initial review of grounding requirements and electric system protection; and

6.4 Description and non-binding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues.

7.0 The feasibility study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.

8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as

requested by the Interconnection Customer and at the Interconnection Customer's cost.

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

10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the feasibility study must be completed and the feasibility study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

13.0 Governing Law, Regulatory Authority, and Rules
The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

14.0 Amendment
The Parties may amend this Agreement by a written instrument duly executed by both Parties.

15.0 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.

16.0 Waiver

16.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

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

17.0 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.

18.0 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

19.0 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

20.0 Subcontractors

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

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

20.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

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

| **[Insert name of Transmission Provider]** | **[Insert name of Interconnection Customer]** |
|---|---|
| _____ | _____ |
| Signed_____ | Signed_____ |
| Name (Printed): | Name (Printed): |
| _____ | _____ |
| Title_____ | Title_____ |

**Attachment A to**
**Feasibility Study Agreement**

## Assumptions Used in Conducting the Feasibility Study

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

1) Designation of Point of Interconnection and configuration to be studied.

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission Provider.

## Attachment 7

## System Impact Study Agreement

**THIS AGREEMENT** is made and entered into this_____day of_____ 20___ by and between_____, a_____organized and existing under the laws of the State of_____, ("Interconnection Customer,") and _____, a_____ existing under the laws of the State of_____, ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

## RECITALS

**WHEREAS,** the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on_____; and

**WHEREAS,** the Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System;

**WHEREAS,** the Transmission Provider has completed a feasibility study and provided the results of said study to the Interconnection Customer (This recital to be omitted if the Parties have agreed to forego the feasibility study.); and

**WHEREAS,** the Interconnection Customer has requested the Transmission Provider to perform a system impact study(s) to assess the impact of interconnecting the Small Generating Facility with the Transmission Provider's Transmission System, and of any Affected Systems;

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause to be performed a system impact study(s) consistent with the standard Small

Generator Interconnection Procedures in accordance with the Open Access Transmission Tariff.

3.0 The scope of a system impact study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 A system impact study will be based upon the results of the feasibility study and the technical information provided by Interconnection Customer in the Interconnection Request. The Transmission Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the system impact study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the system impact study may be extended.

5.0 A system impact study shall consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews, as necessary. A system impact study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. A system impact study shall provide a list of facilities that are required as a result of the Interconnection Request and non-binding good faith estimates of cost responsibility and time to construct.

6.0 A distribution system impact study shall incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.

7.0 Affected Systems may participate in the preparation of a system impact study, with a division of costs among such entities as they may agree. All Affected Systems shall be afforded an opportunity to review and comment upon a system impact study that covers potential adverse system impacts on their electric systems, and the Transmission Provider has 20 additional Business Days to complete a system impact study requiring review by Affected Systems.

8.0 If the Transmission Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required Network Upgrades, the system impact study shall consider all generating facilities (and

with respect to paragraph 8.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the system impact study is commenced –

8.1 Are directly interconnected with the Transmission Provider's electric system; or

8.2 Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and

8.3 Have a pending higher queued Interconnection Request to interconnect with the Transmission Provider's electric system.

9.0 A distribution system impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 30 Business Days after this Agreement is signed by the Parties. A transmission system impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 45 Business Days after this Agreement is signed by the Parties, or in accordance with the Transmission Provider's queuing procedures.

10.0 A deposit of the equivalent of the good faith estimated cost of a distribution system impact study and the one half the good faith estimated cost of a transmission system impact study may be required from the Interconnection Customer.

11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

13.0 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

14.0 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

15.0 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.

16.0 Waiver

16.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

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

17.0 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.

18.0 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

19.0 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to

restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

20.0 Subcontractors

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

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

20.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

**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 Transmission Provider]** | **[Insert name of Interconnection Customer]** |
|---|---|
| _____ | _____ |
| Signed_____ | Signed_____ |
| Name (Printed): | Name (Printed): |

_____ _____

Title_____ Title_____

**Attachment A to System Impact Study Agreement**

## Assumptions Used in Conducting the System Impact Study

The system impact study shall be based upon the results of the feasibility study, subject to any modifications in accordance with the standard Small Generator Interconnection Procedures, and the following assumptions:

1) Designation of Point of Interconnection and configuration to be studied.

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission Provider.

## Attachment 8

## Facilities Study Agreement

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

### RECITALS

**WHEREAS,** the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on_____; and

**WHEREAS**, the Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System;

**WHEREAS,** the Transmission Provider has completed a system impact study and provided the results of said study to the Interconnection Customer; and

**WHEREAS**, the Interconnection Customer has requested the Transmission Provider to perform a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the system impact study in accordance with Good Utility Practice to physically and electrically connect the Small Generating Facility with the Transmission Provider's Transmission System.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause a facilities study consistent with the standard Small Generator Interconnection

Procedures to be performed in accordance with the Open Access Transmission Tariff.

3.0 The scope of the facilities study shall be subject to data provided in Attachment A to this Agreement.

4.0 The facilities study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the system impact study(s). The facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Transmission Provider's Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

5.0 The Transmission Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Small Generating Facility if it is willing to pay the costs of those facilities.

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

7.0 In cases where Upgrades are required, the facilities study must be completed within 45 Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the facilities study must be completed within 30 Business Days.

8.0 Once the facilities study is completed, a facilities study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the facilities study must be completed and the facilities study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a facilities study.

9.0 Interconnection Customer may, within 30 Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final report. Transmission Provider shall issue the final Interconnection Facilities Study report within 15 Business Days of receiving Interconnection Customer’s comments or promptly upon receiving Interconnection Customer’s statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen-day period upon

notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 4.5 of the standard Small Generator Interconnection Procedures.

10.0 Within ten Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

13.0 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

14.0 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

15.0 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.

16.0 Waiver

16.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

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

17.0 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.

18.0 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

19.0 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

20.0 Subcontractors

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

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

20.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

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

| **[Insert name of Transmission Provider]** | **[Insert name of Interconnection Customer]** |
|---|---|
| _____ | _____ |
| Signed_____ | Signed_____ |
| Name (Printed): | Name (Printed): |
| _____ | _____ |
| Title_____ | Title_____ |

**Attachment A to**
**Facilities Study Agreement**

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

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

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

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

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

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

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

What type of control system or PLC will be located at the Small Generating Facility?

_____

_____

What protocol does the control system or PLC use?

_____

_____

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

Physical dimensions of the proposed interconnection station:

_____

Bus length from generation to interconnection station:

_____

Line length from interconnection station to Transmission Provider's Transmission System.

_____

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

_____

Number of third party easements required for transmission lines*:

_____

* To be completed in coordination with Transmission Provider.

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

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

_____

Please provide the following proposed schedule dates:

| | |
|---|---|
| Begin Construction | Date:_____ |
| Generator step-up transformers receive back feed power | Date:_____ |
| Generation Testing | Date:_____ |
| Commercial Operation | Date:_____ |

# SMALL GENERATOR

# INTERCONNECTION AGREEMENT (SGIA)

## (For Generating Facilities No Larger Than 20 MW)

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This Interconnection Agreement ("Agreement") is made and entered into this _____ day of _____, 20__, by

_____
("Transmission Provider"), and

_____
("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

**Transmission Provider Information**

Transmission Provider:

_____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

**Interconnection Customer Information**

Interconnection Customer:

_____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Interconnection Customer Application No: _____

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

## Article 1. Scope and Limitations of Agreement

1.1 Applicability

This Agreement shall be used for all Interconnection Requests submitted under the Small Generator Interconnection Procedures (SGIP) except for those submitted under the 10 kW Inverter Process contained in SGIP Attachment 5.

1.2 Purpose

This Agreement governs the terms and conditions under which the

Interconnection Customer's Small Generating Facility will interconnect with, and operate in parallel with, the Transmission Provider's Transmission System.

1.3 No Agreement to Purchase or Delivery Power

This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under separate agreements, if any. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity with the applicable Transmission Provider.

1.4 Limitations

Nothing in this Agreement is intended to affect any other agreement between the Transmission Provider and the Interconnection Customer.

1.5 Responsibilities of the Parties

1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.

1.5.2 The Interconnection Customer shall construct, interconnect, operate and maintain its Small Generating Facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, and in accordance with this Agreement, and with Good Utility Practice.

1.5.3 The Transmission Provider shall construct, operate, and maintain its Transmission System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.

1.5.4 The Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to design, install, maintain, and operate its Small Generating Facility so as to reasonably minimize the likelihood of a disturbance

adversely affecting or impairing the system or equipment of the Transmission Provider and any Affected Systems.

1.5.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. The Transmission Provider and the Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect the Transmission Provider's Transmission System, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Agreement.

1.5.6 The Transmission Provider shall coordinate with all Affected Systems to support the interconnection.

1.5.7 The Interconnection Customer shall ensure “frequency ride through” capability and “voltage ride through” capability of its Small Generating Facility. The Interconnection Customer shall enable these capabilities such that its Small Generating Facility shall not disconnect automatically or instantaneously from the system or equipment of the Transmission Provider and any Affected Systems for a defined under-frequency or over-frequency condition, or an under-voltage or over-voltage condition, as tested pursuant to Article 2.1 of this agreement. The defined conditions shall be in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The Small Generating Facility’s protective equipment settings shall comply with the Transmission Provider’s automatic load-shed program. The Transmission Provider shall review the protective equipment settings to confirm compliance with the automatic load-shed program. The term “ride through” as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of the Transmission Provider and any Affected Systems during system disturbances within a range of conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority on a comparable basis. The term “frequency ride through” as used herein shall mean the ability of a Small Generating Facility to stay connected to

and synchronized with the system or equipment of Transmission Provider and any Affected Systems during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. The term "voltage ride through" as used herein shall mean the ability of a Small Generating Facility to stay connected to and synchronized with the system or equipment of Transmission Provider and any Affected Systems during system disturbances within a range of under-voltage and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other generating facilities in the Balancing Authority Area on a comparable basis. For abnormal frequency conditions and voltage conditions within the "no trip zone" defined by Reliability Standard PRC-024-3 or successor mandatory ride through Applicable Reliability Standards, the non-synchronous Small Generating Facility must ensure that, within any physical limitations of the Small Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

1.6 Parallel Operation Obligations

Once the Small Generating Facility has been authorized to commence parallel operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the Small Generating Facility in the applicable Balancing Authority Area, including, but not limited to; 1) the rules and procedures concerning the operation of generation set forth in Transmission Provider's Tariff or by the applicable system operator(s) for Transmission Provider's Transmission System and; 2) the Operating Requirements set forth in Attachment 5 of this Agreement.

1.7 Metering

Interconnection Customer shall be responsible for Transmission Provider's reasonable and necessary cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2 and 3 of this Agreement. Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements.

1.8 Reactive Power and Primary Frequency Response

1.8.1 Power Factor Design Criteria

1.8.1.1 Synchronous Generation

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

1.8.1.2 Non-Synchronous Generation

Interconnection Customer shall design its Small Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider has established a different power factor range that applies to all similarly situated non-synchronous generators in the Balancing Authority Area on a comparable basis. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnecting non-synchronous generators that have not yet executed a Facilities Study Agreement as of the effective date of the Final Rule establishing this requirement (Order No. 827).

1.8.2 Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides

or absorbs from the Small Generating Facility when Transmission Provider requests Interconnection Customer to operate its Small Generating Facility outside the range specified in article 1.8.1.

1.8.3 Payments shall be in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service (s) is subject to a regional transmission organization or independent system operator FERC-approved rate schedule. To the extent that no rate schedule is in effect at the time Interconnection Customer is required to provide or absorb reactive power under this Agreement, the Parties agree to expeditiously file such rate schedule and agree to support any request for waiver of the Commission's prior notice requirement in order to compensate Interconnection Customer from the time service commenced.

1.8.4 Primary Frequency Response. Interconnection Customer shall ensure the primary frequency response capability of its Small Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term “functioning governor or equivalent controls” as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Small Generating Facility’s real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ±0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved Electric Reliability Organization reliability standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Small Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based on an approved Electric Reliability Organization reliability standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Small Generating Facility’s real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Small Generating Facility’s real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-

frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved Electric Reliability Organization reliability standard providing for an equivalent or more stringent parameter. Interconnection Customer shall notify Transmission Provider that the primary frequency response capability of the Small Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Small Generating Facility with the Transmission System, Interconnection Customer shall operate the Small Generating Facility consistent with the provisions specified in Sections 1.8.4.1 and 1.8.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Small Generating Facilities.

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

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

1.8.4.3 Exemptions**.** Small Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Sections 1.8.4, 1.8.4.1, and 1.8.4.2 of this Agreement. Small Generating Facilities that are behind the meter generation that is sized-to-load (i.e., the thermal load and the generation are near-balanced in real-time operation and the generation is primarily controlled to maintain the unique thermal, chemical, or mechanical output necessary for the operating requirements of its host facility) shall be required to install primary frequency response capability in accordance with the droop and deadband capability requirements specified in Section 1.8.4, but shall be otherwise exempt from the operating requirements in Sections 1.8.4, 1.8.4.1, 1.8.4.2, and 1.8.4.4 of this Agreement.

1.8.4.4 Electric Storage Resources. Interconnection Customer interconnecting an electric storage resource shall establish an operating range in Attachment 5 of this SGIA that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Sections 1.8.4, 1.8.4.1, 1.8.4.2 and 1.8.4.3 of this Agreement. Attachment 5 shall specify whether the operating range is static or dynamic, and shall consider: (1) the expected magnitude of

frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resource due to manufacturer specifications; and (6) any other relevant factors agreed to by Transmission Provider and Interconnection Customer, and in consultation with the relevant transmission owner or Balancing Authority as appropriate. If the operating range is dynamic, then Attachment 5 must establish how frequently the operating range will be reevaluated and the factors that may be considered during its reevaluation.

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Section 1.8.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/ or receive electricity from the Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the Transmission System and/or dispatched to receive electricity from the Transmission System. If Interconnection Customer's electric storage resource is charging at the time of a frequency deviation outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Interconnection Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

**[Remainder of Page Intentionally Left Blank]**

1.9 Capitalization of Terms

Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

**Article 2. Inspection, Testing, Authorization, and Right of Access**

2.1 Equipment Testing and Inspection

2.1.1 The Interconnection Customer shall test and inspect its Small Generating Facility and Interconnection Facilities prior to interconnection. The Interconnection Customer shall notify the Transmission Provider of such activities no fewer than five Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The Transmission Provider may, at its own expense, send qualified personnel to the Small Generating Facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide the Transmission Provider a written test report when such testing and inspection is completed.

2.1.2 The Transmission Provider shall provide the Interconnection Customer written acknowledgment that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by the Transmission Provider of the safety, durability, suitability, or reliability of the Small Generating Facility or any associated control, protective, and safety devices owned or controlled by the Interconnection Customer or the quality of power produced by the Small Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

2.2.1 The Transmission Provider shall use Reasonable Efforts to list applicable parallel operation requirements in Attachment 5 of this Agreement. Additionally, the Transmission Provider shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. The Transmission Provider shall make Reasonable Efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 The Interconnection Customer shall not operate its Small Generating Facility in parallel with the Transmission Provider's Transmission System without prior written authorization of the Transmission Provider. The Transmission Provider will provide such authorization once the Transmission Provider receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 Right of Access

2.3.1 Upon reasonable notice, the Transmission Provider may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Small Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Small Generating Facility (including any required testing), startup, and operation for a period of up to three Business Days after initial start-up of the unit. In addition, the Interconnection Customer shall notify the Transmission Provider at least five Business Days prior to conducting any on-site verification testing of the Small Generating Facility.

2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, the Transmission Provider shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

2.3.3 Each Party shall be responsible for its own costs associated with following this article.

## Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective upon execution by the Parties.

3.2 Term of Agreement

This Agreement shall become effective on the Effective Date and shall remain in

effect for a period of ten years from the Effective Date or such other longer period as the Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.3 of this Agreement.

3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination.

3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving the Transmission Provider 20 Business Days written notice.

3.3.2 Either Party may terminate this Agreement after Default pursuant to article 7.6.

3.3.3 Upon termination of this Agreement, the Small Generating Facility will be disconnected from the Transmission Provider's Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this SGIA or such non-terminating Party otherwise is responsible for these costs under this SGIA.

3.3.4 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination

3.3.5 The provisions of this article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions -- "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, the Transmission Provider's Interconnection Facilities or the Transmission Systems of others to which the Transmission System is directly connected; or (3) that, in the case of the Interconnection Customer, is imminently likely (as determined in a

non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Small Generating Facility or the Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, the Transmission Provider may immediately suspend interconnection service and temporarily disconnect the Small Generating Facility. The Transmission Provider shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Small Generating Facility. The Interconnection Customer shall notify the Transmission Provider promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Transmission Provider's Transmission System or any Affected Systems. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

3.4.2 Routine Maintenance, Construction, and Repair

The Transmission Provider may interrupt interconnection service or curtail the output of the Small Generating Facility and temporarily disconnect the Small Generating Facility from the Transmission Provider's Transmission System when necessary for routine maintenance, construction, and repairs on the Transmission Provider's Transmission System. The Transmission Provider shall provide the Interconnection Customer with five Business Days notice prior to such interruption. The Transmission Provider shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer.

3.4.3 Forced Outages

During any forced outage, the Transmission Provider may suspend interconnection service to effect immediate repairs on the Transmission Provider's Transmission System. The Transmission Provider shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, the Transmission Provider shall, upon request, provide the Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

3.4.4 Adverse Operating Effects

The Transmission Provider shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Small Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating

the Small Generating Facility could cause damage to the Transmission Provider's Transmission System or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, the Transmission Provider may disconnect the Small Generating Facility. The Transmission Provider shall provide the Interconnection Customer with five Business Day notice of such disconnection, unless the provisions of article 3.4.1 apply.

3.4.5 Modification of the Small Generating Facility

The Interconnection Customer must receive written authorization from the Transmission Provider before making any change to the Small Generating Facility that may have a material impact on the safety or reliability of the Transmission System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Interconnection Customer makes such modification without the Transmission Provider's prior written authorization, the latter shall have the right to temporarily disconnect the Small Generating Facility.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility, Interconnection Facilities, and the Transmission Provider's Transmission System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

## Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

4.1 Interconnection Facilities

4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement. The Transmission Provider shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and the Transmission Provider.

4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing the Transmission Provider's Interconnection Facilities.

4.2 Distribution Upgrades

The Transmission Provider shall design, procure, construct, install, and own the Distribution Upgrades described in Attachment 6 of this Agreement. If the Transmission Provider and the Interconnection Customer agree, the Interconnection Customer may construct Distribution Upgrades that are located on land owned by the Interconnection Customer. The actual cost of the Distribution Upgrades, including overheads, shall be directly assigned to the Interconnection Customer.

## Article 5. Cost Responsibility for Network Upgrades

5.1 Applicability

No portion of this article 5 shall apply unless the interconnection of the Small Generating Facility requires Network Upgrades.

5.2 Network Upgrades

The Transmission Provider or the Transmission Owner shall design, procure, construct, install, and own the Network Upgrades described in Attachment 6 of this Agreement. If the Transmission Provider and the Interconnection Customer agree, the Interconnection Customer may construct Network Upgrades that are located on land owned by the Interconnection Customer. Unless the Transmission Provider elects to pay for Network Upgrades, the actual cost of the Network Upgrades, including overheads, shall be borne initially by the Interconnection Customer.

5.2.1 Repayment of Amounts Advanced for Network Upgrades

The Interconnection Customer shall be entitled to a cash repayment, equal to the total amount paid to the Transmission Provider and Affected System operator, if any, for Network Upgrades, including any tax gross-up or other tax-related payments associated with the Network Upgrades, and not otherwise refunded to the Interconnection Customer, to be paid to the Interconnection Customer on a dollar-for-dollar basis for the non-usage

sensitive portion of transmission charges, as payments are made under the Transmission Provider's Tariff and Affected System's Tariff for transmission services with respect to the Small Generating Facility. Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. The Interconnection Customer may assign such repayment rights to any person.

5.2.1.1 Notwithstanding the foregoing, the Interconnection Customer, the Transmission Provider, and any applicable Affected System operators may adopt any alternative payment schedule that is mutually agreeable so long as the Transmission Provider and said Affected System operators take one of the following actions no later than five years from the Commercial Operation Date: (1) return to the Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that the Transmission Provider or any applicable Affected System operators will continue to provide payments to the Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the commercial operation date.

5.2.1.2 If the Small Generating Facility fails to achieve commercial operation, but it or another generating facility is later constructed and requires use of the Network Upgrades, the Transmission Provider and Affected System operator shall at that time reimburse the Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.

5.3 Special Provisions for Affected Systems

Unless the Transmission Provider provides, under this Agreement, for the repayment of amounts advanced to any applicable Affected System operators for Network Upgrades, the Interconnection Customer and Affected System operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to Affected System operator as well as the repayment by Affected System operator.

5.4 Rights Under Other Agreements

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Small Generating Facility.

## Article 6. Billing, Payment, Milestones, and Financial Security

6.1 Billing and Payment Procedures and Final Accounting

6.1.1 The Transmission Provider shall bill the Interconnection Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.

6.1.2 Within three months of completing the construction and installation of the Transmission Provider's Interconnection Facilities and/or Upgrades described in the Attachments to this Agreement, the Transmission Provider shall provide the Interconnection Customer with a final accounting report of any difference between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or Upgrades, and (2) the Interconnection Customer's previous aggregate

payments to the Transmission Provider for such facilities or Upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Transmission Provider shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Transmission Provider within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, the Transmission Provider shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

6.2 Milestones

The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 4 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than a Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless it will suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

6.3 Financial Security Arrangements

At least 20 Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the Transmission Provider's Interconnection Facilities and Upgrades, the Interconnection Customer shall provide the Transmission Provider, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to the Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction where the Point of Interconnection is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of the Transmission Provider's Interconnection Facilities and Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to the Transmission Provider under this Agreement during its

term. In addition:

6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of the Transmission Provider, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

6.3.2 The letter of credit or surety bond must be issued by a financial institution or insurer reasonably acceptable to the Transmission Provider and must specify a reasonable expiration date.

## Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default

7.1 Assignment

This Agreement may be assigned by either Party upon 15 Business Days prior written notice and opportunity to object by the other Party; provided that:

7.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, provided that the Interconnection Customer promptly notifies the Transmission Provider of any such assignment;

7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of the Transmission Provider, for collateral security purposes to aid in providing financing for the Small Generating Facility, provided that the Interconnection Customer will promptly notify the Transmission Provider of any such assignment.

7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.

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

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

7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's

indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

7.4 Consequential Damages

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

7.5 Force Majeure

7.5.1 As used in this article, a Force Majeure Event 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 an act of negligence or intentional wrongdoing."

7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

7.6 Default

7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have 60 calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

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

## Article 8. Insurance

8.1 The Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. The amount of such insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made. The Interconnection Customer shall obtain additional insurance only if necessary as a function of owning and operating a generating facility. Such insurance shall be obtained from an insurance provider authorized to do business in the State where the interconnection is located. Certification that such insurance is in effect shall be provided upon request of the Transmission Provider, except that the Interconnection Customer shall show proof of insurance to the Transmission Provider no later than ten Business Days prior to the anticipated commercial operation date. An Interconnection Customer

of sufficient credit-worthiness may propose to self-insure for such liabilities, and such a proposal shall not be unreasonably rejected.

8.2 The Transmission Provider agrees to maintain general liability insurance or self-insurance consistent with the Transmission Provider's commercial practice. Such insurance or self-insurance shall not exclude coverage for the Transmission Provider's liabilities undertaken pursuant to this Agreement.

8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

## Article 9. Confidentiality

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

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

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

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

9.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR §

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

## Article 10. Disputes

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

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

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

10.4 If the attempted dispute resolution fails, either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

## Article 11. Taxes

11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with the status of Transmission Provider as a municipal entity under applicable tax law and regulations.

11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Transmission Provider's tax exempt status with respect to the issuance of bonds including, but

not limited to, local furnishing bonds.

## Article 12. Miscellaneous

12.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.2 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties, or under article 12.12 of this Agreement.

12.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

12.4 Waiver

12.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

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

12.5 Entire Agreement

This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

12.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

12.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. FERC expects all Transmission Providers, market participants, and Interconnection Customers interconnected to electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations

from the electric reliability authority. All public utilities are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

12.10 Environmental Releases

Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Small Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

12.11 Subcontractors

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

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

12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor’s insurance.

## Article 13. Notices

13.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national currier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

If to the Transmission Provider:

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

If to the Transmission Provider:

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

Transmission Provider's Operating Representative:

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State:_____ Zip:_____
Phone: _____ Fax: _____

13.5 Changes to the Notice Information

Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

## Article 14. Signatures

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

For the Transmission Provider

Name:_____

Title: _____

Date: _____

For the Interconnection Customer

Name:_____

Title: _____

Date: _____

## Attachment 1
## Glossary of Terms

**Affected System –** An electric system other than Transmission Provider's Transmission System that may be affected by the proposed interconnection.

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

**Applicable Reliability Standards**-The requirements and guidelines of the Electric Reliability Organization and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

**Balancing Authority-** An entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

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

**Business Day –** Monday through Friday, excluding Federal Holidays.

**Default** – The failure of a breaching Party to cure its breach under the Small Generator Interconnection Agreement.

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

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

**Good Utility Practice** – Any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be

limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

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

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

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

**Interconnection Request** – Interconnection Customer's request, in accordance with Transmission Provider’s Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with Transmission Provider’s Transmission System.

**Material Modification** – A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

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

**Operating Requirements** – Any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, Balancing Authority Area, or Transmission Provider's requirements, including those set forth in the Small Generator Interconnection Agreement.

**Party or Parties** – Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

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

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

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

**Tariff** – Transmission Provider or Affected System's Tariff through which open access transmission service and Interconnection Service are offered, and as amended or supplemented from time to time, or any successor tariff.

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

**Transmission Provider** – Colorado Springs Utilities.

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

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

## Attachment 2

### Description and Costs of the Small Generating Facility, Interconnection Facilities, and Metering Equipment

Equipment, including the Small Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer, the Transmission Provider, or the Transmission Owner. The Transmission Provider will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment.

## Attachment 3

## One-line Diagram Depicting the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Upgrades

## Attachment 4

## Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

| | Milestone/Date | Responsible Party |
|---|---|---|
| (1) | _____ | _____ |
| (2) | _____ | _____ |
| (3) | _____ | _____ |
| (4) | _____ | _____ |
| (5) | _____ | _____ |
| (6) | _____ | _____ |
| (7) | _____ | _____ |
| (8) | _____ | _____ |
| (9) | _____ | _____ |
| (10) | _____ | _____ |

Agreed to by:

For the Transmission Provider_____ Date_____

For the Transmission Owner (If Applicable) _____
Date_____

For the Interconnection Customer_____ Date_____

## Attachment 5

## Additional Operating Requirements for the Transmission Provider's Transmission System and Affected Systems Needed to Support the Interconnection Customer's Needs

The Transmission Provider shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation with the Transmission Provider's Transmission System.

## Attachment 6

## Transmission Provider's Description of its Upgrades and Best Estimate of Upgrade Costs

The Transmission Provider shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades. The Transmission Provider shall functionalize Upgrade costs and annual expenses as either transmission or distribution related.