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April 26, 2004

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**RE: Large Generator Interconnection Procedures of the California
Independent System Operator Corporation
Docket No. ER04-445-00_**

Dear Secretary Salas:

Pursuant to the Federal Energy Regulatory Commission's ("Commission" or "FERC") direction in its order on rehearing of its Standardization of Generator Interconnection Agreements and Procedures order, ("Order No. 2003-A"),¹ Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2003), and Section 35.13 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 35.13 (2003), the California Independent System Operator Corporation ("ISO") hereby submits six copies of its Standard Large Generator Interconnection Procedures ("LGIP"), revised in accordance with Order No. 2003-A, for Commission approval and inclusion in the ISO Tariff.² While the ISO previously filed related *pro forma* interconnection study agreements in conjunction with its original filing of the LGIP, the ISO is not re-filing those agreements, as no changes in those agreements are required by Order No. 2003-A. Concurrent with this filing, the ISO is also jointly filing with the affected Participating Transmission Owners ("PTOs")³ a revised version of the Standard Large Generator Interconnection

¹ Order on Rehearing, 106 FERC ¶ 61,220 (2004).

² Capitalized terms that are not otherwise defined are defined in the Master Definitions Supplement, Appendix A to the ISO Tariff.

³ The PTOs that have been active in the LGIP / LGIA process have been the FERC-jurisdictional PTOs, Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company.

Agreement ("LGIA"). The ISO is also tendering two copies to be time and date stamped and returned to our courier.

I. BACKGROUND

A. Procedural History

On October 21, 2001, the Commission began the process of standardizing agreements and procedures for generator interconnection to electrical transmission systems with the issuance of its Advanced Notice of Proposed Rulemaking ("ANOPR").⁴ Feedback on the ANOPR resulted in the Notice of Proposed Rulemaking ("NOPR") issued on April 24, 2002.⁵ Comments were submitted to the Commission in response to the NOPR from a wide range of generation and transmission companies, including transmission providers such as the ISO. The Commission responded to the Comments received and set out *pro forma* documents for large generator interconnection, in its Final Rule, Order No. 2003, issued on July 24, 2003.⁶

Order No. 2003 both addressed comments received and set out a *pro forma* LGIA and LGIP and related study agreements. Order No. 2003 directed providers of transmission service to make a compliance filing of an LGIA and LGIP within 60 days of the date of publication of Order No. 2003 in the Federal Register.⁷ Several entities filed requests for rehearing or clarification of Order No. 2003. The requests for rehearing were granted for further consideration and a final order on rehearing of Order No. 2003 is currently pending.⁸

Several entities also filed for extensions of the Commission's original 60-day timeframe for compliance filings of the LGIA and LGIP, including the ISO. The ISO submitted its joint request for an extension on September 22, 2003. The joint request was granted by the Commission via letter order issued on September 26, 2003, which established January 20, 2004 as the revised compliance date. On January 8, 2004, the Commission issued an order in which it provided further guidance regarding the filing of the LGIA and LGIP by independent and non-independent entities. In its order, the

⁴ Standardizing Generation Interconnection Agreements and Procedures, Advance Notice of Proposed Rulemaking, 66 Fed. Reg. 55,140 (November 1, 2001, FERC Stats. & Regs. ¶ 35,540 (2001).

⁵ Standardization of Generator Interconnection Agreements and Procedures, Notice of Proposed Rulemaking, 67 Fed. Reg. 22,250 (May 2, 2002), FERC Stats. & Regs. ¶ 32,560 (2002).

⁶ Standardization of Generator Interconnection Agreements and Procedures, Order No. 2003, Stats. & Regs. ¶ 31,146, 68, Fed. Reg. 49,846 (August 19, 2003) (2003) ("Order No. 2003").

⁷ Order No. 2003 at P 910.

⁸ "Order Granting Rehearing for Further Consideration" *Standardization of Generator Interconnection Agreements and Procedures*, Docket No. RM02-1 (September 22, 2003).

Commission noted, *inter alia*, that where *pro forma* documents were modified, current agreements for generator interconnection would continue in effect until the modified *pro forma* LGIA and LGIP were approved by the Commission.⁹

B. Filing of the LGIP Pursuant to Order No. 2003

On January 20, 2004, pursuant to Order No. 2003, the ISO filed with the Commission its *pro forma* LGIP. In that filing, the ISO explained that the LGIP had been developed as a result of a concerted stakeholder process among itself, the affected PTOs, and other Market Participants. The ISO also explained that, although it had endeavored to retain the language of the *pro forma* LGIP adopted in Order No. 2003 to the extent possible, certain modifications had been made where necessary to (1) specify the respective roles of the ISO and PTOs, reaching agreement where possible with the active PTOs, (2) reflect regional differences, (3) incorporate appropriate and justifiable variations in accordance with the “independent entity variation” standard, and/or (4) incorporate changes that are consistent with or superior to the *pro forma* LGIP. The ISO reflected these alterations in multiple formats. First, all changes from the language adopted in Order No. 2003 were described, along with the rationale for making these changes, in a matrix included as Attachment A to the January 20 filing. A similar change matrix for the study agreements was included as Attachment B to that filing. In addition, as another guide of all changes made to the original Commission *pro forma* language, the ISO included black lined tariff sheets as Attachments C, E, and F to the January 20 filing.

On January 29, 2004, the Commission noticed the ISO’s January 20 filing, and set the due date for motions to intervene, comments, and protests to February 10, 2004. On February 9, 2004, in response to a motion filed by the Independent Energy Producers Association and Calpine Corporation, the Commission extended the comment period on the LGIP to February 23, 2004. On February 23, 2004, a number of entities filed motions to intervene, comments and/or protests with respect to the ISO’s proposed LGIP. The ISO filed an answer to these pleadings on March 9, 2004.

C. Order No. 2003-A

On March 5, 2004, the Commission issued its Order on Rehearing of Order No. 2003. Therein, the Commission reaffirmed the legal and policy conclusions on which Order No. 2003 was based. However, in response to various rehearing requests, the Commission modified a number of the provisions of the *pro forma* LGIP and LGIA as set forth in Order No. 2003.

In Order No. 2003-A, the Commission continued to recognize the principle enunciated in Order No. 2003 that independent transmission providers have the

⁹ “Notice Clarifying Compliance Procedures,” *Standardization of Generator Interconnection Agreements and Procedures*, Docket No. RM02-1 (January 8, 2004) (“January 8 Order”).

flexibility to tailor the LGIP and LGIA in order to best meet their regional needs, pursuant to the “independent entity standard.”¹⁰ Therefore, the Commission ordered that if an independent transmission provider elected to adopt the pro forma LGIP and LGIA from Order No. 2003, it would be required to file on or before the effective date of Order No. 2003-A¹¹ either (1) a notice that it intends to adopt the Order No. 2003-A pro forma LGIP and LGIA, or (2) new standard interconnection procedures and agreements developed according to Order No. 2003’s “independent entity variation” standard. However, the Commission stated that those independent transmission providers that filed their own tailored interconnection agreement and procedures pursuant to Order No. 2003’s “independent entity variation” standard are not required to re-file their interconnection agreement and procedures with the Commission unless a change is needed to reflect the modifications made in Order No. 2003-A.

Since the issuance of Order No. 2003-A, the ISO has worked closely with the active PTOs to address the extent to which changes to the ISO’s original LGIP were necessary and/or desirable as a result of Order No. 2003-A. The ISO and the active PTOs have held numerous telephone conferences to discuss the specific language of the revised ISO LGIP, and have reached agreement concerning all of the changes reflected in the revised ISO LGIP.

II. CONTENTS OF FILING

This filing comprises:

This Transmittal Letter

Attachment A Matrix of All Changes to ISO January 20 LGIP, Including Variations from the *pro forma* Order No. 2003-A LGIP, With Rationale

Attachment B Matrix of All Changes to ISO Tariff Definitions Relating to the LGIP, Including Variations from the pro forma Order No. 2003-A Definitions, With Rationale

Attachment C LGIP Tariff Sheets (including Interconnection Request Appendix) Blacklined

¹⁰ See Order No. 2003 at P 26, which states, in pertinent part: “Most importantly, we note that the Final Rule applies to independent and non-independent Transmission Providers alike, but non-independent Transmission Providers are required to adopt the Final Rule LGIP and Final Rule LGIA into their OATTs, with deviations from the Final Rule justified using either the ‘regional differences’ or ‘consistent with or superior to’ standard. We also allow Regional Transmission Organizations (RTOs) and ISOs more flexibility to meet their regional needs. While RTOs and ISOs are required to submit compliance filings, they may submit LGIP and LGIA terms and conditions that are meet an ‘independent entity variation’ standard that is more flexible than the ‘consistent with or superior to’ standard and the regional differences standard.”

¹¹ The Commission stated that Order No. 2003-A would take effect 30 days after its publication in the Federal Register. Order No. 2003-A was published in the Federal Register on March 26, 2004.

Attachment D	LGIP Tariff Sheets Clean
Attachment E	Definition Tariff Sheets Blackline
Attachment F	Definition Tariff Sheets Clean
Attachment G	Notice Suitable for Publication in the Federal Register
Attachment H	Certificate of Service

III. COMMUNICATIONS

Correspondence and other communications regarding this filing should be directed to:

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IV. DESCRIPTION OF THE FILING

A. Structure of the Filing

As described above, the instant filing is submitted in compliance with Order No. 2003-A. Included with the instant filing is the *pro forma* LGIP and Interconnection Request, revised consistent with Order No. 2003-A, to be incorporated into the ISO Tariff. Changes to the language of the LGIP as originally filed by the ISO on January 20, 2004, are shown in the matrix included as Attachment A to the filing. Changes to

the Master Definitions Supplement of the ISO Tariff are shown in the matrix included as Attachment B to the filing. These changes are displayed as highlighted additions and strikeouts in the columns entitled "Changes from Original Compliance Filing." Attachments A and B also show any departures from the *pro forma* language adopted in Order No. 2003-A. These changes are displayed as highlighted additions and strikeouts in the columns entitled "Changes from New Provisions of Order No. 2003-A." The non-highlighted additions and strikeouts in both columns represent the changes made from the original *pro forma* LGIP and Master Definitions Supplement as proposed in the January 20 filing. Blacklined tariff sheets are included as Attachments B and D, and the clean revised LGIP and Master Definitions Supplement tariff sheets are included as Attachments C and E. As noted above, there are no revisions to be made to the *pro forma* study agreements, and therefore they are not included as part of this filing.

B. Regional Differences and Independent Entity Variations

While the revised LGIP is a *pro forma* document, the Commission, in Order No. 2003-A, reaffirmed the principle enunciated in Order No. 2003 that some flexibility was important to accommodate the practices in different regions. The Commission, in Order No. 2003, noted that the degree of latitude that would be allowed for variations from the FERC *pro forma* would be greater for independent entities which are "less likely to act in an unduly discriminatory manner than is a market participant." Order No. 2003 at P 827. Order No. 2003 did not, therefore, limit independent entities to meeting either the so-called "regional differences" test or "consistent with or superior to" standard. Instead, the Commission stated that independent entities could submit alterations to the *pro forma* under a more flexible "independent entity variation." Order No. 2003 at P 26.

Consistent with the approach adopted in the ISO's original LGIP filing, the ISO has endeavored to retain the language of the *pro forma* LGIP, as revised in Order No. 2003-A, to the extent possible. Indeed, most of the modifications reflected in this filing are the result of directly adopting the modifications made by the Commission in Order No. 2003-A. As with its original LGIP filing, however, certain modifications to the Order No. 2003-A language were necessary in order to (1) specify the respective roles of the ISO and PTOs, (2) reflect regional differences, or (3) incorporate appropriate and justifiable variations in accordance with the "independent entity variation" standard. Many of the changes also are consistent with or superior to the *pro forma* LGIP adopted in Order No. 2003-A and can be justified on this additional ground.

The ISO has reflected modifications made to the *pro forma* language adopted in Order No. 2003-A in Attachment A to the filing, as highlighted additions and strikeouts in the column entitled "Changes from New Provisions of Order No. 2003-A." Attachment A also describes the rationale for each of these changes. While Attachment A is intended to be the primary guide for the Commission to the changes made to the original LGIP

and the rationale supporting those changes, selected issues are also discussed in greater detail below.

C. Section 3.4.4 - Special Provisions for Affected Systems and Other Affected PTOs

In Order No. 2003, the *pro forma* LGIA included language that made clear that an Affected System Operator would be required to pay refunds to an Interconnection Customer for any Network Upgrades constructed by the Affected System Operator, regardless of whether the Interconnection Customer contracts for transmission on the Affected System. In addition to incorporating this concept into the LGIA, the ISO, with the concurrence of the active PTOs, also included provisions concerning Affected Systems as part of Section 3.4.4 of the LGIP (Special Provisions for Affected Systems and Other Affected PTOs) both because negotiations with Affected Systems must take place prior to the execution of an interconnection agreement and because the Affected System would not be party to any such agreement.

In Order No. 2003-A, in order to address concerns that Interconnection Customers would be entitled to reimbursement by an Affected System Operator for construction of Network Upgrades even when the Affected System Operator's customers received no benefit from the Network Upgrades, the Commission revised Article 11 of the Commission *pro forma* LGIA to provide that Affected System Operators must provide credits to an Interconnection Customer only to the extent that the Interconnection Customer takes transmission service on the Affected System. Order No. 2003-A at P 637. The Commission implemented that revision by deleting the previous requirement from Article 11.4.2 that the Affected System Operator provide credits (repayments) without regard to whether the Interconnection Customer contracts for transmission service on the Affected System.

Because the Commission modified its policy on Affected Systems, the same relevant modifications must be made to the ISO's LGIP filing to reflect that Affected Systems are no longer required to pay credits unless, and to the extent, that the Interconnection Customer takes transmission service on the Affected System. To implement this change in the Commission's policy regarding Affected Systems, the ISO proposes to replace the Affected System Operator repayment provision in LGIP Section 3.4.4 with an additional sentence stating: "Any payment by the owner of the Affected System shall be in accordance with paragraphs 636-639 of FERC Order No. 2003-A (106 FERC ¶ 61,220)." The ISO makes this change so that potential Interconnection Customers and other Market Participants have notice of the Commission's new crediting/repayment policy with respect to Affected Systems in Order No. 2003-A.

D. Section 3.6 – Internet Posting

In Order No. 2003-A, the Commission stated that it would permit a transmission provider to share technical information related to its transmission system with an

Affiliate without having to simultaneously release the information to the public “as long as the information relates solely to a valid request for Interconnection Service.” Order No. 2003-A at P 107. However, the Commission adopted several “safeguards” in order to ensure that affiliated and non-affiliated Interconnection Customers are treated alike, but at the same time, ensure that Critical Energy Infrastructure Information is not released to the public. First, the Commission modified the *pro forma* LGIP to require that a transmission provider post an advance notice to the public on its OASIS website of its intent to conduct a Scoping Meeting with an Affiliate. The ISO has incorporated this modification into Section 3.6 of its LGIP, with minor changes to reflect that the ISO, rather than the applicable PTO, will manage and post the Interconnection Requests, Queue Position, and related information on its public website.

Additionally, the Order 2003-A set forth additional requirements, including, but not limited to, obliging a transmission provider to transcribe any Scoping Meetings conducted with an Affiliate, to retain that transcript for three years, and to make it available under certain circumstances. The Commission did not, however, incorporate these mandates into the revised *pro forma* LGIP.

Consistent with the Commission’s determination not to incorporate the mechanical requirements concerning the transcription of Scoping Meetings with Affiliates, the ISO does not propose to include language in the LGIP to address these requirements. However, the ISO recognizes that, to the extent that an Interconnection Request involves an Affiliate of a PTO, the Commission expects that these obligations will be met. The ISO expects to collaborate with the PTO and the Interconnection Customer to work out arrangements for transcribing any Scoping Meeting that falls under this provision.

V. EFFECTIVE DATE AND INTERIM INTERCONNECTION AGREEMENT

The Commission stated in its January 8 Order that where the *pro forma* LGIP and/or LGIA were modified, interconnection agreements currently in use would remain in effect until the modified interconnection documents were approved by the Commission. The ISO intends that the agreements currently used in California will remain in effect until the modified *pro forma* LGIP and LGIA are approved by the Commission. The ISO urges the Commission to set the effective date of the modified versions of the LGIP and LGIA prospectively, as substantial disruption to interconnection efforts that would then be underway could result if the Commission were to establish a retroactive effective date. This same issue arose in the Commission’s acceptance of ISO Tariff Amendment No. 39, and the Commission ultimately found it necessary to reverse its original order giving Amendment No. 39 retroactive effect.¹²

¹² *San Diego Gas & Electric Co. v. Sellers of Energy and Ancillary Services*, 100 FERC ¶ 61,235 (2002).

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VI. CONCLUSION

For the reasons set forth above, the California Independent System Operator Corporation respectfully request that the Commission accept its *pro forma* LGIP, as revised consistent with Order No. 2003-A, for incorporation into the ISO Tariff.

Respectfully submitted,

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LGIP Order No. 2003-A Matrix of Changes

NOTE: Changes to the language of the LGIP as originally filed on January 20, 2004, are displayed in the matrix below as highlighted additions and strikeouts in the column entitled “Changes from Original Compliance Filing.” This matrix also shows any departures from the *pro forma* LGIP language adopted in Order No. 2003-A. These changes are displayed as highlighted additions and strikeouts in the column entitled “Changes from New Provisions of Order No. 2003-A.” The non-highlighted additions and strikeouts in both columns represent the changes made from the original *pro forma* LGIP as proposed in the January 20 filing.

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
2.3 Base Case Data.	Transmission Provider The applicable Participating TO or ISO shall provide base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to applicable confidentiality provisions in LGIP Section 13.1. The applicable Participating TO or the ISO is permitted to require that the Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information (as that term is defined by FERC) in the Base Case data. ...	Transmission Provider The applicable Participating TO or ISO shall provide base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to applicable confidentiality provisions in LGIP Section 13.1. Transmission Provider The applicable Participating TO or the ISO is permitted to require that the Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information (as that term is defined by FERC) in the Base Case data. ...	<u>Compliance Filing:</u> Makes Order No. 2003-A changes, with minor revisions. <u>Order No. 2003-A:</u> Specifies who is the Transmission Provider in this context. Clarifies the type of information that is deemed to be part of the Critical Energy Infrastructure Information.
3.23.1.4 The Product. ER-Interconnection Service does not in and of itself convey any transmission service right to deliver electricity to any specific customer or point of delivery. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Ppoint of Ddelivery.	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No new changes except to clarify that “point of delivery” is not a defined term in the ISO Tariff.
3.3.3.23.2.2.2 The Assessment Study. NR-Interconnection Service This Deliverability Assessment in and of itself does not convey any transmission service right to deliver electricity to any specific customer or point of delivery. NR-Interconnection Service This Deliverability Assessment in and of itself does not convey any right to deliver electricity to any specific customer or Ppoint of Ddelivery.	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No new changes except to clarify that “point of delivery” is not a defined term in the ISO Tariff.
3.4.3 RepaymentRef	<u>Upon the Commercial Operation Date, the</u>	[No new provision in Order No. 2003-A pro forma LGIP.	<u>Compliance Filing:</u> Takes changes made

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
<u>und of Amounts Advanced for Network Upgrades</u>	<p><u>Interconnection Customer shall be entitled to a refundrepayment for the cost of Network Upgrades, other than the amount by which the cost of those Network Upgrades is in excess of the benefits of those Network Upgrades, as determined by the economic test performed pursuant to LGIP Section 3.4.2. Such amount shall be paid to the Interconnection Customer by the Participating TO on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the Commercial Operation Date; or (2) any alternative payment schedule that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the Commercial Operation Date. Any refundrepayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(ii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a refund-repayment of such payment. The Interconnection Customer may assign such refund repayment rights to any person.</u></p> <p>....</p> <p><u>The Interconnection Customer may elect to receive FTRs associated with any Network Upgrades that are funded by the</u></p>	<p>Changes to ISO Compliance Filing made to reflect Order No. 2003-A changes to LGIA Article 11.4.]</p>	<p>by Order No. 2003-A to LGIA Article 11.4 and applies them to comparable provisions added to ISO LGIP Section 3.4.3 – substituting “repayment” for “refund” where the Interconnection Customer is repaid for its investment in the Network Upgrade.</p> <p><u>Order No. 2003-A:</u> Changes generally reflect changes to Order No. 2003-A LGIA Article 11.4.</p>

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change	
	<u>Interconnection Customer but not eligible for refund repayments, to the extent such FTRs or alternative rights are available under the ISO Tariff.</u>			
<u>3.4.4 Special Provisions for Affected Systems and Other Affected Participating TOs.</u>	<p><u>The Interconnection Customer shall enter into an agreement with the owner of the Affected System and/or other affected Participating TO(s), as applicable. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to the owner of the Affected System and/or other affected Participating TO(s) as well as the repayment of refunds by the owner of the Affected System and/or other affected Participating TO(s). If the affected entity is another Participating TO, the initial form of agreement will be the LGIA, as appropriately modified.</u></p> <p><u>Any repayment by the owner of the Affected System shall be in accordance with paragraphs 636-639 of FERC Order No. 2003-A (106 FERC ¶ 61,220).</u></p> <p><u>Refunds are to be paid without regard to whether the Interconnection Customer contracts for transmission service on the Affected System. If the Interconnection Customer does not contract for transmission service, and in the absence of another mutually agreeable payment schedule, refunds shall be established at a level equal to the Affected System's rate for firm point-to-point transmission service</u></p>	<p>[No new provision in Order No. 2003-A pro forma LGIP. Changes to ISO Compliance Filing made to reflect Order No. 2003-A changes to LGIA Article 11.4.]</p>	<p><u>Compliance Filing:</u> Takes changes made by Order No. 2003-A to LGIA Article 11.4 and applies them to comparable provisions added to ISO LGIP Section 3.4.4 – substituting “repayment” for “refund” where the Interconnection Customer is repaid for its investment in the Network Upgrade and providing specificity for how transmission credits are to be handled by the owner of an Affected System by referring to Order No. 2003-A’s discussion of the issue, in addition to making the Order No. 2003-A deletion of the absolute refund obligation of Affected System Operators.</p> <p><u>Order No. 2003-A:</u> Changes generally reflect changes to Order No. 2003-A LGIA Article 11.4, except as noted above.</p>	

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
	multiplied by the output of the Large-Generating Facility assumed in the Interconnection Facilities Study. All refunds must be paid within five years of the Commercial Operation Date.		
3.46 OASIS Internet Posting The ISO shall post on the ISO Home Page an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO. Before holding a Scoping Meeting with its Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so. The ISO shall post on the ISO Home Page an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO.	Compliance Filing: Makes Order No. 2003-A changes, with clarification that the ISO will post the required notice on its public website. Order No. 2003-A: Clarifies that the ISO will manage and post the Interconnection Requests, Queue Positions, and related information on its public website and specifies who is the Transmission Provider in this context.
3.57 Coordination with Affected Systems. The Transmission Provider ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, <u>to the extent possible, and, if possible, the Participating TO will include those results (if available) in its applicable Interconnection Study within the time frame specified in this LGIP. ...</u> The Transmission Provider ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, <u>to the extent possible, and, if possible, the Participating TO will include those results (if available) in its applicable Interconnection Study within the time frame specified in this LGIP.</u>	Compliance Filing: Makes Order No. 2003-A changes. Order 2003-A: No new changes.
4.1 General The cost of the common upgrades for clustered Interconnection Requests may be allocated without regard to Queue Position. Transmission Provider may allocate t The cost of the common upgrades for clustered Interconnection Requests <u>may be allocated</u> without regard to Queue Position.	Compliance Filing: Makes Order No. 2003-A changes with minor alteration. Order No. 2003-A: Minor alteration to make provision generic to any transmission provider.

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
4.4.1	Prior to the return of the executed Interconnection System Impact Study Agreement to the Transmission Provider <u>Participating TO</u> , modifications permitted under this Section shall include specifically: (a) a reduction <u>decrease</u> of up to 60 percent (MW) of electrical output (MW) of the proposed project;	Prior to the return of the executed Interconnection System Impact Study Agreement to the Transmission Provider <u>Participating TO</u> , modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project; . . .	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No new changes.
4.4.2	Prior to the return of the executed Interconnection Facility Study Agreement to the Transmission Provider <u>Participating TO</u> , the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease in plant size of electrical output (MW), ...	Prior to the return of the executed Interconnection Facility Study Agreement to the Transmission Provider <u>Participating TO</u> , the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output (MW), ...	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No new changes.
4.4.3 Any change to the Point of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. . . .	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No changes.
5.2 New Transmission Provider Participating TO If the original Transmission Provider <u>Participating TO</u> has tendered a draft LGIA to the Interconnection Customer but the Interconnection Customer has not either executed the LGIA or requested the filing of an unexecuted LGIA with FERC, unless otherwise provided, the Interconnection Customer may elect to must complete negotiations with the Transmission Provider or the original Participating TO and ISO or the successor Participating TO and the ISO, Transmission Provider. If the original Transmission Provider <u>Participating TO</u> has tendered a draft LGIA to the Interconnection Customer but the Interconnection Customer has not either executed the LGIA or requested the filing of an unexecuted LGIA with FERC, unless otherwise provided, the Interconnection Customer must complete negotiations with the successor Transmission Provider <u>Participating TO and the ISO.</u>	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No new changes.
6.1 Interconnection Feasibility <u>If the Interconnection Customer, the applicable</u> <u>If the Interconnection Customer, the applicable</u>	<u>Compliance Filing:</u> Makes Order No. 2003-A changes, with

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
Study Agreement	<u>Participating TO and ISO agree to forgo the Interconnection Feasibility Study, the applicable Participating TO will tender an Interconnection System Impact Study Agreement pursuant to the procedures specified in Section 7 of this LGIP and apply the deposits made in accordance with LGIP Section 3.5.1, in addition to the deposit made in accordance with LGIP Section 7, towards the Interconnection System Impact Study.</u>	<u>Participating TO and Transmission Provider ISO agree to forgo the Interconnection Feasibility Study, Transmission Provider the applicable Participating TO will initiate tender an Interconnection System Impact Study Agreement pursuant to the procedures specified in under Section 7 of this LGIP and apply the \$10,000-deposits made in accordance with LGIP Section 3.5.1, in addition to the deposit made in accordance with LGIP Section 7, towards the Interconnection System Impact Study.</u>	<p>clarifications of the process.</p> <p><u>Order No. 2003-A:</u> Clarifies who the Transmission Provider is in this context.</p> <p>Adds language that is consistent with, but superior to Order 2003-A language, by clarifying that any deposits made in accordance with Section 3.5.1 (including the deposit for site control) will be applied to future studies and that the full deposit for the Interconnection System Impact Study will be due even if the Interconnection Feasibility Study is not performed.</p>
6.2 Scope of Interconnection Feasibility Study. The Interconnection Feasibility Study will consider the Base Cases as well as all G generating Facilities (and with respect to (iiiiv)), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: The Interconnection Feasibility Study will consider the Base Cases as well as all generating facilities (and with respect to (iiiiv)), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced:	<p><u>Compliance Filing:</u> Makes Order No. 2003-A changes.</p> <p><u>Order No. 2003-A:</u> No new changes.</p>
7.3 Scope of Interconnection System Impact Study The Interconnection System Impact Study will consider the Base Cases as well as all G generating Facilities (and with respect to (iiiiv) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced: The Interconnection System Impact Study will consider the Base Cases as well as all generating facilities (and with respect to (iiiiv) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced:	<p><u>Compliance Filing:</u> Makes Order No. 2003-A changes.</p> <p><u>Order No. 2003-A:</u> No new changes.</p>

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
8.3 Interconnection Facilities Study Procedures	<p>....</p> <p>The Interconnection Customer mayshall, within thirty (30) Calendar Days after receipt of the draft report, either (i) provide written comments to the Transmission ProviderParticipating TO and ISO, which the Transmission ProviderParticipating TO and/or ISO shall include in the final report, or (ii) provide a statement to the Participating TO and ISO that it will not provide comments.</p>	<p>...</p> <p><u>The Interconnection Customer may</u>shall, within thirty (30) Calendar Days after receipt of the draft report, <u>either (i) provide written comments to the Transmission Provider</u>Participating TO and ISO, which <u>the Transmission Provider</u>Participating TO and/or ISO shall include in the final report, or (ii) provide a statement to the Participating TO and ISO that it will not provide comments.</p>	<p><u>Compliance Filing:</u> Clarifies that the Interconnection Customer must notify the Participating TO and ISO if it elects not to provide comments to the draft Interconnection Facilities Study report.</p> <p><u>Order No. 2003-A:</u> Expands on the Order 2003-A change to Section 11.1 that the Interconnection Customer <u>shall</u> tender comments to the draft report.</p>
11.1 Tender.	<p>Simultaneously with the issuance of the draft Interconnection Facilities Study report to the Interconnection Customer, the Transmission ProviderParticipating TO shall tender to the Generator Interconnection Customer a draft LGIA, together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of the Transmission Provider's Commission FERC-approved standard form LGIA, which is in Appendix 6. Within thirty (30) Calendar Days after the Participating TO and the ISO receive the Interconnection Customer's written comments, or notification of no comments, to issuance of the draft Interconnection Facilities Study Report, the Transmission ProviderParticipating TO shall tender the completed draft LGIA appendices.</p>	<p>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, Simultaneously with the issuance of the draft Interconnection Facilities Study report to the Interconnection Customer, the Participating TO shall tender to the Interconnection Customer a draft LGIA, together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of the Transmission Provider's FERC-approved standard form LGIA, which is in Appendix 6. Interconnection Customer shall execute and return the completed draft appendices wWithin thirty (30) Calendar Days after the Participating TO and the ISO receive the Interconnection Customer's written comments, or notification of no comments, to the draft</p>	<p><u>Compliance Filing:</u> Makes the Order 2003-A change to add an additional 30 days after comments are submitted for the draft Interconnection Facilities Study to tender the completed draft appendices.</p> <p><u>Order No. 2003-A:</u> The first sentence is not incorporated because it contains similar provisions to, but inconsistent language with, LGIP Section 8.3. Instead, Section 8.3 has been revised as shown above.</p> <p>The second sentence is incorrect for the reasons stated below and thus was not incorporated. Instead, the parties have retained the original Compliance Filing language.</p>

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
		<u>Interconnection Facilities Study report, the Participating TO shall tender the completed draft LGIA appendices.</u>	<p>The Order No. 2003-A revision would add 30 days to tender the <u>initial</u> draft appendices, not the <u>completed</u> draft appendices as was intended in Order 2003-A, Para. 178. Also, the transmission provider, not the Interconnection Customer, tenders the LGIA and appendices.</p> <p>The last sentence is erroneous and therefore not incorporated. The Interconnection Customer does not execute the draft appendices; the Interconnection Customer executes the final LGIP. The sentence was re-written to add 30 days to the tendering of the completed draft appendices, as was intended in Para. 178.</p>
13.1.2 Release of Confidential Information	Neither No Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, <u>Affiliates (limited by FERC's Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358),</u>	Neither No Party shall release or disclose Confidential Information to any other person, except to its <u>employees, consultants, Affiliates (limited by the FERC's Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358), employees, consultants,</u>	<p><u>Compliance Filing:</u> Makes Order No. 2003-A changes, with clarifications.</p> <p><u>Order No. 2003-A:</u> Clarifies that the confidential information shared with an Affiliate is limited by the Standard of Conduct set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358.</p>
13.1.8 Disclosure to FERC, or its Staff, or a State.	<u>.... Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.</u>	<u>.... Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.</u>	<p><u>Compliance Filing:</u> Makes Order No. 2003-A changes.</p> <p><u>Order No. 2003-A:</u> No changes.</p>

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
<u>13.6</u> <u>Local</u> <u>Furnishing</u> <u>Bonds</u>	<u>[New Section to the LGIP]</u>	[No change]	<u>Compliance Filing:</u> Makes Order No. 2003-A changes. <u>Order No. 2003-A:</u> No changes.
<u>13.6.1</u> <u>Participating</u> <u>TOs That Own</u> <u>Facilities</u> <u>Financed by</u> <u>Local</u> <u>Furnishing</u> <u>Bonds</u>	This provision is applicable only to a Participating TO that has financed facilities for the local furnishing of electric energy with Local Furnishing Bonds. Notwithstanding any other provision of this LGIP, the Participating TO and the ISO shall not be required to provide Interconnection Service to the Interconnection Customer pursuant to this LGIP and the LGIA if the provision of such Interconnection Service would jeopardize the tax-exempt status of any Local Furnishing Bond(s) issued for the benefit of the Participating TO.	This provision is applicable only to a Transmission Provider Participating TO that has financed facilities for the local furnishing of electric energy with tax-exempt bonds , as described in Section 142(f) of the Internal Revenue Code (“ Local Furnishing Bonds ”). Notwithstanding any other provision of this LGIA and LGIP, the Transmission Provider Participating TO and the ISO shall not be required to provide Interconnection Service to the Interconnection Customer pursuant to this LGIA and LGIP and the LGIA if the provision of such Transmission Interconnection Service would jeopardize the tax-exempt status of any Local Furnishing Bond (s) used to finance Transmission Provider’s facilities that would be used in providing such Interconnection Service issued for the benefit of the Participating TO.	<u>Compliance Filing:</u> Makes Order No. 2003-A changes, with clarifications. <u>Order No. 2003-A:</u> Clarifies that the Transmission Provider in this context is the Participating TO and uses the ISO Tariff defined term. Conforms this LGIP to LGIA Article 5.18, which recognizes that Interconnection Service may not jeopardize tax exempt status of any Local Furnishing Bonds.
<u>13.6.2</u> <u>Alternative</u> <u>Procedures for</u> <u>Requesting</u> <u>Interconnection</u> <u>Service</u>	If the Participating TO determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any Local Furnishing Bonds(s) issued for the benefit of the Participating TO, it shall advise the Interconnection Customer and the ISO within thirty (30) Calendar Days of receipt of the Interconnection Request. Interconnection Customer	If the Transmission Provider Participating TO determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any Local Furnishing Bond (s) used to finance its facilities that would be used in providing such Interconnection Service issued for the benefit of the Participating TO, it shall advise the Interconnection Customer and the ISO within	<u>Compliance Filing:</u> Makes Order No. 2003-A changes, with clarifications. <u>Order No. 2003-A:</u> Clarifies that the Transmission Provider in this context is the Participating TO and uses the ISO Tariff defined term. Adds language that specifies the alternative procedure

LGIP Order No. 2003-A Matrix of Changes

Section	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
	<p>thereafter may renew its request for the same Interconnection Service by tendering an application under Section 211 of the Federal Power Act, in which case the Participating TO, within ten (10) Calendar Days of receiving a copy of the Section 211 application, will waive its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act, and the ISO and Participating TO shall provide the requested Interconnection Service pursuant to the terms and conditions set forth in this LGIP and the LGIA.</p>	<p>thirty (30) Calendar days of receipt of the Interconnection Request.</p> <p>Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the Transmission Provider's OATT the same Interconnection Service by tendering an application under Section 211 of the Federal Power Act, in which case the Participating TO, within ten (10) Calendar Days of receiving a copy of the Section 211 application, will waive its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act, and the ISO and Participating TO shall provide the requested Interconnection Service pursuant to the terms and conditions set forth in this LGIP and the LGIA.</p>	<p>permitted under this Section. This new change is substantially similar to the procedure outlined in Order 2003-A and is necessary because the ISO did not adopt the pro forma OATT and therefore Article 5.2(ii) is not relevant to this procedure.</p>

Order No. 2003-A Matrix of Changes to LGIP Defined Terms Incorporated in ISO Tariff Appendix A, Master Definitions Supplement

NOTE: Changes to the language of the LGIP as originally filed on January 20, 2004, are displayed in the matrix below as highlighted additions and strikeouts in the column entitled "Changes from Original Compliance Filing." This matrix also shows any departures from the *pro forma* LGIP language adopted in Order No. 2003-A. These changes are displayed as highlighted additions and strikeouts in the column entitled "Changes from New Provisions of Order No. 2003-A." The non-highlighted additions and strikeouts in both columns represent the changes made from the original *pro forma* LGIP as proposed in the January 20 filing.

ISO Tariff Definition	Changes from Original Compliance Filing (Highlighted with Shading)	Changes from New Provisions of Order No. 2003-A (Highlighted with Shading)	Reason for Change
Definition of "Commercial Operation"	The status of a Generating Unit at a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.	... the status of a <u>Generating Unit at a</u> Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation	<p><u>Compliance Filing:</u> Adds Order No. 2003-A new defined term.</p> <p><u>Order No. 2003-A:</u> Clarifies that this term as defined will apply to each Generating Unit, as opposed to the Generating Facility as a whole.</p>
Definition of "Commercial Operation Date"	† The date on which an Interconnection Customer commences commercial operation of the a <u>Generating Unit at the a</u> Generating Facility after Trial Operation of such unit has been completed as confirmed in writing substantially in the form shown commences Commercial Operation as agreed to by the applicable Participating TO and the Interconnection Customer pursuant to in Appendix E to the Standard Large Generator Interconnection Agreement.	... † The date on which <u>a</u> Generating Unit at a the Generating Facility commences Commercial Operation as agreed to by the Parties applicable Participating TO and the Interconnection Customer pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.	<p><u>Compliance Filing:</u> Makes Order No. 2003-A changes.</p> <p><u>Order No. 2003-A:</u> Specifies who the relevant Parties are in this context.</p>

ATTACHMENT C

Changes to LGIP Reflecting Order No. 2003-A

2.3 Base Case Data.

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

* * *

3.23.1.4

The Product. ~~ER-Interconnection Service~~ allows Interconnection Customer to connect the Large Generating Facility to the ~~Transmission System~~ ISO Controlled Grid and be eligible to deliver the Large Generating Facility's output using the existing firm or non-firm available capacity of the Transmission System ISO Controlled Grid, on an "as available" basis. ~~ER-Interconnection Service~~ does not in and of itself convey any transmission service right to deliver electricity to any specific customer or point of delivery.

* * *

3.3.3.23.2.2.2

The Assessment Study. ~~The Interconnection Deliverability Assessment Study for NR Interconnection Service shall assure that will identify the facilities that are required to enable the Interconnection Customer's Large Generating Facility to meets the requirements for NR Interconnection Service deliverability and as a general matter, that such Large Generating Facility's interconnection is also studied with the Transmission Provider's Transmission System ISO Controlled Grid at peak load, under a variety of severely stressed conditions, to determine whether, with the Large Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on the Transmission Provider's Transmission System ISO Controlled Grid, consistent with the Transmission Provider's ISO's reliability criteria and procedures. This approach assumes that some portion of existing Network R resources are that are designated as deliverable is displaced by the output of the Interconnection Customer's Large Generating Facility. NR Interconnection Service This Deliverability Assessment in and of itself does not convey any transmission service right to deliver electricity to any specific customer or point of delivery.~~

* * *

3.4.3 Repayment/Refund of Amounts Advanced for Network Upgrades.

Upon the Commercial Operation Date, the Interconnection Customer shall be entitled to a refund/repayment for the cost of Network Upgrades, other than the amount by which the cost of those Network Upgrades is in excess of the benefits of those Network Upgrades.

as determined by the economic test performed pursuant to LGIP Section 3.4.2. Such amount shall be paid to the Interconnection Customer by the Participating TO on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the Commercial Operation Date; or (2) any alternative payment schedule that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the Commercial Operation Date. Any refund 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)(ii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a refund repayment of such payment. The Interconnection Customer may assign such refund repayment rights to any person.

Instead of direct payments, the Interconnection Customer may elect, to receive Firm Transmission Rights (FTRs) in accordance with the ISO Tariff associated with the Network Upgrades that were funded by the Interconnection Customer, to the extent such FTRs or alternative rights are available under the ISO Tariff at the time of the election. Such FTRs would take effect upon the Commercial Operation Date of the Large Generating Facility in accordance with the LGIA.

The Interconnection Customer may elect to receive FTRs associated with any Network Upgrades that are funded by the Interconnection Customer but not eligible for refund repayments, to the extent such FTRs or alternative rights are available under the ISO Tariff.

3.4.4 Special Provisions for Affected Systems and Other Affected Participating TOs.

The Interconnection Customer shall enter into an agreement with the owner of the Affected System and/or other affected Participating TO(s), as applicable. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to the owner of the Affected System and/or other affected Participating TO(s) as well as the repayment of refunds by the owner of the Affected System and/or other affected Participating TO(s). If the affected entity is another Participating TO, the initial form of agreement will be the LGIA, as appropriately modified.

Any repayment by the owner of the Affected System shall be in accordance with paragraphs 636-639 of FERC Order No. 2003-A (106 FERC ¶ 61,220).

Refunds are to be paid without regard to whether the Interconnection Customer contracts for transmission service on the Affected System. If the Interconnection Customer does not contract for transmission service, and in the absence of another mutually agreeable payment schedule, refunds shall be established at a level equal to the Affected System's rate for firm point-to-point transmission service multiplied by the output of the Large Generating Facility assumed in the Interconnection Facilities Study. All refunds must be paid within five years of the Commercial Operation Date.

* * *

3.46 OASIS Internet Posting.

The ISO The Transmission Provider will maintain on its OASIS the ISO Home Page 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; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (ix) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed.

The list will not disclose the identity of the Interconnection Customer until the Interconnection Customer executes an LGIA or requests that the Transmission Provider Participating TO file an unexecuted LGIA with FERC. The ISO shall post on the ISO Home Page an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO.

The Transmission Provider ISO shall post to its OASIS site the ISO Home Page any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to the Transmission Provider's OASIS site ISO Home Page subsequent to the meeting between among the Interconnection Customer, and the Transmission Provider Participating TO and the ISO to discuss the applicable study results. The Transmission Provider ISO shall also post any known deviations in the Large Generating Facility's In-Service Date.

3.57 Coordination with Affected Systems.

The ISO will notify the Affected System Operators that are potentially affected by the project proposed by the Interconnection Customer. The Transmission Provider ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, to the extent possible, and, if possible, the Participating TO will include those results (if available) in its applicable Interconnection Study within the time frame specified in this LGIP. The Transmission Provider ISO will include such Affected System Operators in all meetings held with the Interconnection Customer as required by this LGIP. The Interconnection Customer will cooperate with the Transmission Provider ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems, including signing separate study agreements with Affected System owners and paying for necessary studies. An entity Transmission Provider which may be an Affected System shall cooperate with the ISO 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.

* * *

4.1 General.

The Transmission Provider ISO shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and the Interconnection Customer provides such information in accordance with LGIP Section 3.3-5.3, then the Transmission Provider ISO shall assign the Interconnection Customer a Queue Position based on the date the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under LGIP Section 4.4.3.

The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies and determination of cost responsibility for the

facilities necessary to accommodate the Interconnection Request. A higher queued Queue Position Interconnection Request is one that has been placed "earlier" in the ISO's queue in relation to another Interconnection Request that is lower queued. Factors other than Queue Position will be considered in determining cost responsibility of an Interconnection Customer. The cost of the common upgrades for clustered Interconnection Requests may be allocated without regard to Queue Position.

* * *

4.4.1 Prior to the return of the executed Interconnection System Impact Study Agreement to the ~~Transmission Provider~~Participating TO, modifications permitted under this Section shall include specifically: (a) a ~~reduction~~decrease of up to 60 percent ~~(MW)~~ (MW) of electrical output of the proposed project; (b) modifying the technical parameters associated with the Large Generating Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of cost allocation and study analysis.

4.4.2 Prior to the return of the executed Interconnection Facility Study Agreement to the ~~Transmission Provider~~Participating TO, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease ~~in plant size of electrical output~~ (MW), and (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.

4.4.3 Prior to making any modification other than those specifically permitted by LGIP Sections 4.4.1, 4.4.2, and 4.4.5, Interconnection Customer may first request that the ~~Transmission Provider~~Participating TO and the ISO evaluate whether such modification is a Material Modification. - In response to Interconnection Customer's request, the ~~Transmission Provider~~Participating TO and the ISO shall evaluate the proposed modifications prior to making them and inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

* * *

5.2 New ~~Transmission Provider~~Participating TO.

If the ~~Transmission Provider~~Participating TO transfers control of its ~~Transmission System~~portion of the ISO Controlled Grid to a successor ~~Participating TO~~Transmission Provider during the period when an Interconnection Request is pending, the original ~~Participating TO~~Transmission Provider shall transfer to the successor ~~Participating TO~~Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this LGIP shall be paid by or refunded to the Interconnection, as appropriate. The original ~~Transmission Provider~~Participating TO shall coordinate with the successor ~~Transmission Provider~~Participating TO and ISO to complete any Interconnection Study, as appropriate, that the original ~~Transmission Provider~~Participating TO has begun but has not completed. If the original Transmission Provider has tendered a draft LGIA to the

Interconnection Customer but the Interconnection Customer has not either executed the LGIA or requested the filing of an unexecuted LGIA with FERC, unless otherwise provided, the Interconnection Customer ~~may elect to~~ must complete negotiations with the Transmission Provider or the original Participating TO and ISO or the successor Participating TO and the ISO. Transmission Provider.

* * *

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request, the ~~Transmission Provider~~ applicable Participating TO shall provide to the Interconnection Customer an Interconnection Feasibility Study Agreement in the form of Appendix 2. The Interconnection Feasibility Study Agreement shall specify that the Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting, the Interconnection Customer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following the ~~Transmission Provider's~~ applicable Participating TO's receipt of such designation, ~~Transmission Provider~~ the Participating TO in coordination with the ISO shall ~~tender to provide to the Interconnection Customer~~ provide a signed Interconnection Feasibility Study Agreement, signed by Transmission Provider, which shall include a good faith estimate of the cost for completing the Interconnection Feasibility Study. The Interconnection Customer shall execute and deliver to the ~~Transmission Provider~~ Participating TO the Interconnection Feasibility Study Agreement along with an additional \$10,000 deposit no later than thirty (30) Calendar Days after its receipt.

On or before the return of the executed Interconnection Feasibility Study Agreement to the ~~Transmission Provider~~ applicable Participating TO, the Interconnection Customer shall provide to the Participating TO and the ISO the technical data called for in LGIP Appendix 1, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by ~~either the Interconnection Customer or Transmission Provider~~ the applicable Participating TO or ISO, and acceptable to the others, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and ~~r~~Re-studies shall be completed pursuant to LGIP Section 6.4 as applicable. If the Participating TO and the Interconnection Customer cannot agree that the results were unexpected, then the ISO will make a determination that the results were either expected or unexpected. For the purpose of this LGIP Section 6.1, if the ~~Transmission Provider~~ Participating TO, ISO and Interconnection Customer cannot agree on the substituted Point of Interconnection, then the Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to LGIP Section 3.35.4, shall be the substitute.

If the Interconnection Customer, the applicable Participating TO and ISO agree to forgo the Interconnection Feasibility Study, the applicable Participating TO will tender an Interconnection System Impact Study Agreement pursuant to the procedures specified in Section 7 of this LGIP and apply the deposits made in accordance with LGIP Section 3.5.1, in addition to the deposit made in accordance with LGIP Section 7, towards the Interconnection System Impact Study.

6.2 Scope of Interconnection Feasibility Study.

The Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the ~~Transmission System~~ applicable Participating TO's portion of the ISO Controlled Grid. If it is reasonably practicable, the Interconnection Feasibility Study will include an informational assessment, as needed, of other Participating TOs' portions of the ISO Controlled Grid.

The Interconnection Feasibility Study will consider ~~the Base Cases~~ as well as all ~~G~~generating ~~F~~facilities (and with respect to ~~(iiiiv)~~, any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the ~~Transmission System~~ ISO Controlled Grid; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending request to interconnect to an Affected System; (iv) have a pending higher queued Interconnection Request to interconnect to the ISO Controlled Grid ~~Transmission System~~; and (iv) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis on the applicable Participating TO's portion of the ISO Controlled Grid. To the extent necessary and reasonably practicable, the Interconnection Feasibility Study will include an informational power flow analysis of the ISO Controlled Grid and will include short circuit duty results at boundaries with other Participating TOs, but will not include an estimate of costs. The Interconnection Feasibility Study will provide a list of facilities on the applicable Participating TO's portion of the ISO Controlled Grid and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct. In addition, the Interconnection Feasibility Study will describe what results are expected in the Interconnection System Impact Study.

* * *

7.3 Scope of Interconnection System Impact Study.

The applicable Participating TOs' Interconnection System Impact Study, or Studies if applicable, shall evaluate the impact of the proposed interconnection on the reliability of the ~~Transmission System~~ applicable Participating TO's electric system. In addition the applicable Participating TO will perform a revised informational assessment, as needed, of other Participating TOs' portions of the ISO Controlled Grid, as directed by the ISO in consultation with the potentially impacted Participating TO. The Interconnection System Impact Study will consider ~~the Base Cases~~ as well as all ~~G~~generating ~~F~~facilities (and with respect to ~~(iiiiv)~~ below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced: (i) are directly interconnected to the ~~Transmission System~~ ISO Controlled Grid; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending request to interconnect to an Affected System; (iv) have a pending higher queued Interconnection Request to interconnect to the ~~Transmission System~~ ISO Controlled Grid; and (iv) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC.

The Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis and a Deliverability Assessment as described in LGIP Section 3.3.3. To the extent necessary and reasonably practicable, the Interconnection System Impact Study will include a revised informational power flow analysis of the ISO Controlled Grid and will include revised short circuit duty results at boundaries with other

Participating TOs. The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Interconnection System Impact Study will provide a list of facilities on the applicable Participating TO's portion of the ISO Controlled Grid that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

* * *

8.3 Interconnection Facilities Study Procedures.

The ~~Transmission Provider~~ ISO shall coordinate the Interconnection Facilities Study with any Affected System pursuant to LGIP Section 3.5 above. The ~~Transmission Provider~~ Participating TO and/or ISO shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. The ~~Transmission Provider~~ Participating TO and/or ISO shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to the Interconnection Customer. Prior to issuing draft study results to the Interconnection Customer, the Participating TO and ISO shall share results for review and incorporate comments within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninetyone hundred twenty (90120) Calendar Days, with no more than a +/- 20 percent cost estimate contained in the report; or onetwo hundred eightyten (180210) Calendar Days, if the Interconnection Customer requests a +/- 10 percent cost estimate.

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

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

* * *

11.1 Tender.

Simultaneously with the issuance of the draft Interconnection Facilities Study report to the Interconnection Customer, the ~~Transmission Provider~~ Participating TO shall tender to the ~~Generator~~ Interconnection Customer a draft LGIA, together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of the ~~Transmission Provider's Commission~~ FERC-approved standard form LGIA, which is in Appendix 6. Within thirty (30) Calendar Days after the Participating TO and the ISO receive the Interconnection Customer's written comments, or notification of no comments, ~~to issuance of the draft Interconnection Facilities Study Report,~~ the ~~Transmission Provider~~ Participating TO shall tender the completed draft LGIA appendices.

* * *

12.2.1 General.

* * *

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

* * *

12.2.4 Amended Interconnection System Impact Study.

* * *

13.1.2 Release of Confidential Information.

~~Neither~~ No Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, Affiliates (limited by FERC's Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358), 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 LGIP 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 LGIP Section 13.1.

* * *

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

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the LGIP, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. 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 Parties ~~y~~ prior to the release of the Confidential Information to the ~~Commission~~ FERC or its staff. The Party shall notify the other applicable Parties ~~y~~ to the LGIA when ~~its~~ it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either ~~any~~ of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. 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.

* * *

13.6 Local Furnishing Bonds.

13.6.1 Participating TOs That Own Facilities Financed by Local Furnishing Bonds.

This provision is applicable only to a Participating TO that has financed facilities for the local furnishing of electric energy with Local Furnishing Bonds. Notwithstanding any other provision of this LGIP, the Participating TO and the ISO shall not be required to provide Interconnection Service to the Interconnection Customer pursuant to this LGIP and the LGIA if the provision of such Interconnection Service would jeopardize the tax-exempt status of any Local Furnishing Bond(s) issued for the benefit of the Participating TO.

13.6.2 Alternative Procedures for Requesting Interconnection Service.

If the Participating TO determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any Local Furnishing Bonds(s) issued for the benefit of the Participating TO, it shall advise the Interconnection Customer and the ISO within thirty (30) Calendar Days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for the same Interconnection Service by tendering an application under Section 211 of the Federal Power Act, in which case the Participating TO, within ten (10) Calendar Days of receiving a copy of the Section 211 application, will waive its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act, and the ISO and Participating TO shall provide the requested Interconnection Service pursuant to the terms and conditions set forth in this LGIP and the LGIA.

**STANDARD LARGE GENERATOR
INTERCONNECTION PROCEDURES (LGIP)**

**Standard Large Generator
Interconnection Procedures (LGIP)**

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CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
 FERC ELECTRIC TARIFF
 FIRST REPLACEMENT VOLUME NO. I

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SECTION 1. OBJECTIVES, DEFINITIONS, AND INTERPRETATION.

1.1 Objectives.

The objective of this LGIP is to implement FERC's Order No. 2003 setting forth the requirements for Large Generating Facility interconnections to the ISO Controlled Grid.

1.2 Definitions.

1.2.1 Master Definitions Supplement.

Unless the context otherwise requires, any word or expression defined in the Master Definitions Supplement to the ISO Tariff shall have the same meaning where used in this LGIP. A reference to a Section or an Appendix is a reference to a Section or an Appendix of the ISO Tariff. References to LGIP are to this Protocol or to the stated paragraph of this Protocol.

1.2.2 Special Definitions for this LGIP.

In this LGIP, the following words and expressions shall have the meanings set opposite them:

"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, subject to the limitations set forth in Section 13.1 of the LGIP.

"Dispute Resolution" shall mean the procedure set forth in this LGIP for resolution of a dispute between the Parties.

"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, ISO, or Participating TO, or any Affiliate thereof.

"Party" or "Parties" shall mean the ISO, Participating TO(s), Interconnection Customer or the applicable combination of the above.

"Reasonable Efforts" shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Generator Interconnection Procedures, 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.

1.2.3 Rules of Interpretation.

(a) Unless the context otherwise requires, if the provisions of this LGIP and the ISO Tariff conflict, the ISO Tariff will prevail to the extent of the inconsistency.

(b) A reference in this LGIP to a given agreement, ISO Protocol or instrument shall be a reference to that agreement or instrument as modified, amended, supplemented or restated through the date as of which such reference is made.

(c) The captions and headings in this LGIP are inserted solely to facilitate reference and shall have no bearing upon the interpretation of any of the terms and conditions of this LGIP.

(d) This LGIP shall be effective as of the date specified by FERC.

Section 2. Scope and Application.

2.1 Application of Standard Large Generator Interconnection Procedures.

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

2.2 Comparability.

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

2.3 Base Case Data.

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

2.4 No Applicability to Transmission Service.

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

Section 3. Interconnection Requests.

3.1 General.

An Interconnection Customer shall submit to the ISO an Interconnection Request in the form of Appendix 1 to this LGIP and a refundable deposit of \$10,000. The ISO will forward the deposit and a copy of the Interconnection Request to the applicable

Issued by: Charles F. Robinson, Vice President and General Counsel

Issued on: April 26, 2004

Effective: Upon approval of the Commission

Participating TO within one (1) Business Day of receipt. The Participating TO shall apply the deposit toward the cost of an Interconnection Feasibility Study. The Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. The Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, the Participating TO, the ISO and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Roles and Responsibilities.

- (a) For each Interconnection Request, the ISO will direct the applicable Participating TO to perform the required Interconnection Studies and any additional studies the ISO determines to be reasonably necessary. The ISO will review the economic viability of Network Upgrades in accordance with LGIP Section 3.4.2. The ISO will coordinate with Affected System Operators in accordance with LGIP Section 3.7.
- (b) Any applicable Participating TO will complete or cause to be completed all studies directed by the ISO within the timelines provided in this LGIP. Any studies performed by the ISO or by a third party at the direction of the ISO shall also be completed within timelines provided in this LGIP.
- (c) Each Interconnection Customer shall pay the reasonable costs of all Interconnection Studies performed by or at the direction of the ISO or the applicable Participating TO, and any additional studies the ISO determines to be reasonably necessary in response to the Interconnection Request.

3.3 Interconnection Service.

3.3.1 The Product. Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the ISO Controlled Grid and be eligible to deliver the Large Generating Facility's output using the available capacity of the ISO Controlled Grid. Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or point of delivery.

3.3.2 The Interconnection Studies. The Interconnection Studies consist of, but are not limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The Interconnection Studies will include short circuit/fault duty, steady state and stability analyses and will identify direct Interconnection Facilities and required Reliability Network Upgrades necessary to address short circuit, overload and stability issues associated with the requested Interconnection Service.

The Interconnection Studies will also identify necessary Delivery Network Upgrades to allow full output of the proposed Large Generating Facility under a variety of potential

system conditions, and the maximum allowed output, under a variety of potential system conditions, of the interconnecting Large Generating Facility without the Delivery Network Upgrades.

3.3.3 Deliverability Assessment.

3.3.3.1 The Product. A Deliverability Assessment will be performed which shall determine the Interconnection Customer's Large Generating Facility's ability to deliver its energy to the ISO Controlled Grid under peak load conditions. The Deliverability Assessment will provide the Interconnection Customer with information as to the level of deliverability without Network Upgrades, and the Deliverability Assessment will provide the Interconnection Customer with information as to the required Network Upgrades to enable the Interconnection Customer's Large Generating Facility the ability to deliver the full output of the proposed Large Generating Facility to the ISO Controlled Grid based on specified study assumptions.

Thus, the Deliverability Assessment results will provide the Interconnection Customer two (2) data points on the scale of deliverability: 1) a deliverability level with no Network Upgrades, and 2) the required Network Upgrades to support 100% deliverability.

Deliverability of a new resource will be assessed on the same basis as all other existing resources interconnected to the ISO Controlled Grid.

3.3.3.2 The Assessment. The Deliverability Assessment will identify the facilities that are required to enable the Interconnection Customer's Large Generating Facility to meet the requirements for deliverability and as a general matter, that such Large Generating Facility's interconnection is also studied with the ISO Controlled Grid at peak load, under a variety of severely stressed conditions, to determine whether, with the Large Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on the ISO Controlled Grid, consistent with the ISO's reliability criteria and procedures. This approach assumes that some portion of existing resources that are designated as deliverable is displaced by the output of the Interconnection Customer's Large Generating Facility. This Deliverability Assessment in and of itself does not convey any right to deliver electricity to any specific customer or point of delivery.

3.4 Network Upgrades.

3.4.1 Initial Funding

Unless the Participating TO elects to fund the capital for Reliability and Delivery Network Upgrades, subject to the economic test in LGIP Section 3.4.2, they shall be solely funded by the Interconnection Customer.

3.4.2 Economic Test for Network Upgrades

The ISO will review the economic viability of Network Upgrades where the estimated cost of such upgrades exceeds the lesser of \$20 million in costs or \$200,000 per MW of installed capacity. An economic test will be performed to determine whether the overall benefits of the Network Upgrades meet or exceed their costs. As part of the Interconnection Studies, the ISO will work with the Interconnection Customer and the

Participating TO to determine the appropriate costs and benefits to be included in the ISO's economic test.

3.4.3 Repayment of Amounts Advanced for Network Upgrades.

Upon the Commercial Operation Date, the Interconnection Customer shall be entitled to a repayment for the cost of Network Upgrades, other than the amount by which the cost of those Network Upgrades is in excess of the benefits of those Network Upgrades, as determined by the economic test performed pursuant to LGIP Section 3.4.2. Such amount shall be paid to the Interconnection Customer by the Participating TO on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the Commercial Operation Date; or (2) any alternative payment schedule that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the Commercial Operation Date. 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)(ii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment. The Interconnection Customer may assign such repayment rights to any person.

Instead of direct payments, the Interconnection Customer may elect to receive Firm Transmission Rights (FTRs) in accordance with the ISO Tariff associated with the Network Upgrades that were funded by the Interconnection Customer, to the extent such FTRs or alternative rights are available under the ISO Tariff at the time of the election. Such FTRs would take effect upon the Commercial Operation Date of the Large Generating Facility in accordance with the LGIA.

The Interconnection Customer may elect to receive FTRs associated with any Network Upgrades that are funded by the Interconnection Customer but not eligible for repayment, to the extent such FTRs or alternative rights are available under the ISO Tariff.

3.4.4 Special Provisions for Affected Systems and Other Affected Participating TOs.

The Interconnection Customer shall enter into an agreement with the owner of the Affected System and/or other affected Participating TO(s), as applicable. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to the owner of the Affected System and/or other affected Participating TO(s) as well as the repayment by the owner of the Affected System and/or other affected Participating TO(s). If the affected entity is another Participating TO, the initial form of agreement will be the LGIA, as appropriately modified.

Any repayment by the owner of the Affected System shall be in accordance with paragraphs 636-639 of FERC Order No. 2003-A (106 FERC ¶ 61,220).

3.5 Valid Interconnection Request.

3.5.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of LGIP Appendix 1, and (iii) demonstration of Site Control or a posting of an additional deposit of \$10,000. Such deposits may be applied toward any Interconnection Studies pursuant to the Interconnection Request. If Interconnection Customer demonstrates Site Control within the cure period specified in LGIP Section 3.5.3 after submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, all such deposit(s), additional and initial, become non-refundable.

The expected In-Service Date of the new Large Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period (or in the absence of a regional planning process, the process window for the ISO's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by the ISO, unless the 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 the ISO by a period up to ten years, or longer where the Interconnection Customer, the applicable Participating TO and the ISO agree, such agreement not to be unreasonably withheld.

3.5.2 Acknowledgment of Interconnection Request.

The ISO shall acknowledge receipt of the Interconnection Request within six (6) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

3.5.3 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in LGIP Section 3.5.1 have been received by the ISO and are deemed complete by the applicable Participating TO and the ISO. If an Interconnection Request fails to meet the requirements set forth in LGIP Section 3.5.1, the ISO shall notify the Interconnection Customer within six (6) 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 the ISO the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this LGIP Section 3.5.3 shall be treated in accordance with LGIP Section 3.8.

3.5.4 Scoping Meeting.

Within ten (10) Business Days after receipt of a valid Interconnection Request, the applicable Participating TO, in coordination with the ISO, shall establish a date agreeable to Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. The Participating TO, the ISO and Interconnection Customer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues, as may be reasonably required to accomplish the purpose of the meeting. The Participating TO, the ISO and Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to LGIP Section 6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

The Participating TO shall prepare minutes from the meeting, verified by the Interconnection Customer and the ISO, that will include, at a minimum, discussions of what the Participating TO and the ISO expect the results of the Interconnection Feasibility Study will be.

3.6 Internet Posting.

The ISO will maintain on the ISO Home Page 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 availability of any studies related to the Interconnection Request; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (ix) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed.

The list will not disclose the identity of the Interconnection Customer until the Interconnection Customer executes an LGIA or requests that the Participating TO file an unexecuted LGIA with FERC. The ISO shall post on the ISO Home Page an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO.

The ISO shall post to the ISO Home Page any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to the ISO Home Page subsequent to the meeting among the Interconnection Customer, the Participating TO and the ISO to discuss the applicable study results. The ISO shall also post any known deviations in the Large Generating Facility's In-Service Date.

3.7 Coordination with Affected Systems.

The ISO will notify the Affected System Operators that are potentially affected by the project proposed by the Interconnection Customer. The ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, to the extent possible, and, if possible, the Participating TO will include those results (if available) in its applicable Interconnection Study within the time frame specified in this LGIP. The ISO will include such Affected System Operators in all meetings held with the Interconnection Customer as required by this LGIP. The Interconnection Customer will cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems, including signing separate study agreements with Affected System owners and paying for necessary studies. An entity which may be an Affected System shall cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.8 Withdrawal.

The Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the ISO and the applicable Participating TO. In addition, if the Interconnection Customer fails to adhere to all requirements of this LGIP, except as provided in LGIP Section 13.5 (Disputes), the ISO shall deem the Interconnection Request to be withdrawn and shall provide written notice to the Interconnection Customer within five (5) Business Days of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify the Participating TO and the ISO of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of the Interconnection Customer's Queue Position, if any. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the 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 the Participating TO all costs that the Participating TO prudently incurs or irrevocably has committed to be incurred with respect to that Interconnection Request prior to the Participating TO's receipt of notice described above. The Interconnection Customer must pay all monies due to the Participating TO before it is allowed to obtain any Interconnection Study data or results.

The ISO shall update the ISO Home Page Queue Position posting. The Participating TO shall refund to the Interconnection Customer any portion of the Interconnection Customer's deposit or study payments that exceeds the costs that the Participating TO has incurred, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, the Participating TO and ISO, subject to the confidentiality provisions of LGIP Section 13.1, shall provide, at Interconnection Customer's request, all information that the Participating TO and ISO developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

Section 4. Queue Position.

4.1 General.

The ISO shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and the Interconnection Customer provides such information in accordance with LGIP Section 3.5.3, then the ISO shall assign the Interconnection Customer a Queue Position based on the date the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under LGIP Section 4.4.3.

The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request. A higher Queue Position Interconnection Request is one that has been placed "earlier" in the ISO's queue in relation to another Interconnection Request that is lower queued. Factors other than Queue Position will be considered in determining cost responsibility of an Interconnection Customer. The cost of the common upgrades for clustered Interconnection Requests may be allocated without regard to Queue Position.

4.2 Clustering.

At the ISO's option and with concurrence of the applicable Participating TO, Interconnection Requests may be studied serially or in clusters for the purpose of the Interconnection System Impact Study.

Clustering shall be implemented on the basis of Queue Position. If the Participating TO and the ISO elect to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the "Queue Cluster Window" shall be studied together without regard to the nature of the underlying Interconnection Service. The deadline for completing all Interconnection System Impact Studies for which an Interconnection System Impact Study Agreement has been executed during a Queue Cluster Window shall be in accordance with LGIP Section 7.4, for all Interconnection Requests assigned to the same Queue Cluster Window. The Participating TO and ISO may agree to study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Generating Facility.

Clustering Interconnection System Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the transmission system's capabilities at the time of each study.

The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on the ISO Home Page beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.

4.3 Transferability of Queue Position.

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

4.4 Modifications.

The Interconnection Customer shall submit to the ISO, in writing, modifications to any information provided in the Interconnection Request. The ISO will forward the Interconnection Customer's modification to the applicable Participating TO within one (1) Business Day of receipt. The Interconnection Customer shall retain its Queue Position if the modifications are in accordance with LGIP Sections 4.4.1, 4.4.2 or 4.4.5, or are determined not to be Material Modifications pursuant to LGIP Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either the Interconnection Customer, the Participating TO, or the ISO may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Participating TO, the ISO, and Interconnection Customer, such acceptance not to be unreasonably withheld, the Participating TO and/or the ISO shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with LGIP Section 6.4, LGIP Section 7.6 and LGIP Section 8.5 as applicable and Interconnection Customer shall retain its Queue Position.

- 4.4.1** Prior to the return of the executed Interconnection System Impact Study Agreement to the Participating TO, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Large Generating Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of cost allocation and study analysis.

- 4.4.2** Prior to the return of the executed Interconnection Facility Study Agreement to the Participating TO, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output (MW), and (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.
- 4.4.3** Prior to making any modification other than those specifically permitted by LGIP Sections 4.4.1, 4.4.2, and 4.4.5, Interconnection Customer may first request that the Participating TO and the ISO evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, the Participating TO and the ISO shall evaluate the proposed modifications prior to making them and inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.
- 4.4.4** Upon receipt of Interconnection Customer's request for modification permitted under this LGIP Section 4.4, the Participating TO and/or ISO shall commence and perform any necessary additional studies as soon as practicable, but in no event shall the Participating TO and/or ISO commence such studies later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost.
- 4.4.5** Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Large Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing.

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Large Generator Interconnection Procedures.

5.1 Queue Position for Pending Requests.

- 5.1.1** Any Interconnection Customer assigned a Queue Position prior to the effective date of this LGIP shall retain that Queue Position.
- 5.1.1.1** If an Interconnection Study agreement has not been executed as of the effective date of this LGIP, then such Interconnection Study, and any subsequent Interconnection Studies, shall be processed in accordance with this LGIP.
- 5.1.1.2** If an Interconnection Study agreement has been executed prior to the effective date of this LGIP, such Interconnection Study shall be completed in accordance with the terms of such agreement. With respect to any remaining studies for which an Interconnection Customer has not signed an Interconnection Study agreement prior to the effective date of the LGIP, the Participating TO must offer the Interconnection Customer the option of either continuing under the Participating TO's existing interconnection study process or going forward with the completion of the necessary Interconnection Studies (for which it does not have a signed Interconnection Studies agreement) in accordance with this LGIP.

Issued by: Charles F. Robinson, Vice President and General Counsel

Issued on: April 26, 2004

Effective: Upon approval of the Commission

- 5.1.1.3** If an agreement to interconnect a Generating Unit has been submitted to FERC for approval before the effective date of the LGIP, then the agreement would be grandfathered.

5.1.2 Transition Period.

To the extent necessary, the Participating TO and/or the ISO and Interconnection Customers with an outstanding request (i.e., an Interconnection Request for which an agreement to interconnect a Generating Unit has not been submitted to FERC for approval as of the effective date of this LGIP) shall transition to this LGIP within a reasonable period of time not to exceed sixty (60) Calendar Days. The use of the term "outstanding request" herein shall mean any interconnection request, on the effective date of this LGIP: (i) that has been submitted but not yet accepted by the ISO or the Participating TO; (ii) where the related interconnection agreement has not yet been submitted to FERC for approval in executed or unexecuted form, (iii) where the relevant interconnection study agreements have not yet been executed, or (iv) where any of the relevant interconnection studies are in process but not yet completed. Any Interconnection Customer with an outstanding request as of the effective date of this LGIP may request a reasonable extension of any deadline, otherwise applicable, if necessary to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by the Participating TO or ISO, as applicable, to the extent consistent with the intent and process provided for under this LGIP.

5.2 New Participating TO.

If the Participating TO transfers control of its portion of the ISO Controlled Grid to a successor Participating TO during the period when an Interconnection Request is pending, the original Participating TO shall transfer to the successor Participating TO any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. The original Participating TO shall coordinate with the successor Participating TO and ISO to complete any Interconnection Study, as appropriate, that the original Participating TO has begun but has not completed. If the original Participating TO has tendered a draft LGIA to the Interconnection Customer but the Interconnection Customer has not either executed the LGIA or requested the filing of an unexecuted LGIA with FERC, unless otherwise provided, the Interconnection Customer must complete negotiations with the successor Participating TO and the ISO.

Section 6. Interconnection Feasibility Study.

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request, the applicable Participating TO shall provide to the Interconnection Customer an Interconnection Feasibility Study Agreement. The Interconnection Feasibility Study Agreement shall specify that the Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting, the Interconnection Customer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following the applicable Participating TO's receipt of such designation, the

Participating TO in coordination with the ISO shall provide to the Interconnection Customer a signed Interconnection Feasibility Study Agreement, which shall include a good faith estimate of the cost for completing the Interconnection Feasibility Study. The Interconnection Customer shall execute and deliver to the Participating TO the Interconnection Feasibility Study Agreement along with an additional \$10,000 deposit no later than thirty (30) Calendar Days after its receipt.

On or before the return of the executed Interconnection Feasibility Study Agreement to the applicable Participating TO, the Interconnection Customer shall provide to the Participating TO and the ISO the technical data called for in LGIP Appendix 1, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by the Interconnection Customer, the applicable Participating TO or ISO, and acceptable to the others, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and re-studies shall be completed pursuant to LGIP Section 6.4 as applicable. If the Participating TO and the Interconnection Customer cannot agree that the results were unexpected, then the ISO will make a determination that the results were either expected or unexpected. For the purpose of this LGIP Section 6.1, if the Participating TO, ISO and Interconnection Customer cannot agree on the substituted Point of Interconnection, then the Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to LGIP Section 3.5.4, shall be the substitute.

If the Interconnection Customer, the applicable Participating TO and ISO agree to forgo the Interconnection Feasibility Study, the applicable Participating TO will tender an Interconnection System Impact Study Agreement pursuant to the procedures specified in Section 7 of this LGIP and apply the deposits made in accordance with LGIP Section 3.5.1, in addition to the deposit made in accordance with LGIP Section 7, towards the Interconnection System Impact Study.

6.2 Scope of Interconnection Feasibility Study.

The Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the applicable Participating TO's portion of the ISO Controlled Grid. If it is reasonably practicable, the Interconnection Feasibility Study will include an informational assessment, as needed, of other Participating TOs' portions of the ISO Controlled Grid.

The Interconnection Feasibility Study will consider Base Cases as well as all generating facilities (and with respect to (iv), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the ISO Controlled Grid; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending request to interconnect to an Affected System; (iv) have a pending higher queued Interconnection Request to interconnect to the ISO Controlled Grid; and (v) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis on the applicable Participating

TO's portion of the ISO Controlled Grid. To the extent necessary and reasonably practicable, the Interconnection Feasibility Study will include an informational power flow analysis of the ISO Controlled Grid and will include short circuit duty results at boundaries with other Participating TOs, but will not include an estimate of costs. The Interconnection Feasibility Study will provide a list of facilities on the applicable Participating TO's portion of the ISO Controlled Grid and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct. In addition, the Interconnection Feasibility Study will describe what results are expected in the Interconnection System Impact Study.

6.3 Interconnection Feasibility Study Procedures.

Prior to performing the Interconnection Feasibility Study, the ISO will determine the responsibilities for the ISO and applicable Participating TO to perform the study. The applicable Participating TO and/or ISO shall utilize existing studies to the extent practicable when performing the study. The applicable Participating TO and/or ISO shall use Reasonable Efforts to complete a draft Interconnection Feasibility Study no later than forty-five (45) Calendar Days after the Participating TO receives the fully executed Interconnection Feasibility Study Agreement. Prior to issuing study results to the Interconnection Customer, the Participating TO and ISO shall share study results for review and comment, provide the study results to any other potentially-impacted Participating TO, and incorporate comments and issue a final Interconnection Feasibility Study within sixty (60) Calendar Days following receipt of the fully executed Interconnection Feasibility Study Agreement. At the request of the Interconnection Customer or at any time the Participating TO and/or ISO determines that the entity performing the study will not meet the required time frame for completing the Interconnection Feasibility Study, the Participating TO and/or ISO shall notify the Interconnection Customer as to the schedule status of the Interconnection Feasibility Study. If the Participating TO and/or ISO is unable to complete the Interconnection Feasibility Study within that time period, it shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, the applicable Participating TO and/or ISO shall provide the Interconnection Customer supporting documentation, workpapers and relevant power flow and short circuit databases for the Interconnection Feasibility Study, subject to confidentiality arrangements consistent with LGIP Section 13.1.

6.3.1 Meeting with the Participating TO(s) and ISO.

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Interconnection Customer, the applicable Participating TO, ISO, and Interconnection Customer shall meet to discuss the results of the Interconnection Feasibility Study. Any other potentially-impacted Participating TO shall also be included in the meeting.

6.4 Re-Study.

If re-study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to LGIP Section 4.4, or re-designation of the Point of Interconnection pursuant to LGIP

Section 6.1, or any other effective change in information which necessitates a re-study, the applicable Participating TO shall notify the Interconnection Customer and the ISO in writing along with a description of the expected results of the re-study. Upon receipt of such notice, the Interconnection Customer shall provide the applicable Participating TO within ten (10) Business Days either a written request that the Participating TO (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the applicable Participating TO to continue the study, the Interconnection Customer shall pay the Participating TO an additional \$10,000 deposit for the re-study along with providing written notice for the Participating TO to continue.

Such re-study shall take not longer than forty-five (45) Calendar Days from the date the applicable Participating TO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. Prior to issuing study results to the Interconnection Customer, the applicable Participating TO and the ISO shall share study results for review, provide the study results for review and comment to any other potentially-impacted Participating TOs, and incorporate comments within sixty (60) Calendar Days from the date the Participating TO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. If the applicable Participating TO and/or the ISO is unable to complete the Interconnection Feasibility Study within that time period, it shall notify the Interconnection Customer and the ISO and provide an estimated completion date with an explanation of the reasons why additional time is required. Any and all costs of the re-study shall be borne by the Interconnection Customer being re-studied.

Section 7. Interconnection System Impact Study.

7.1 Interconnection System Impact Study Agreement.

Simultaneously with the delivery of the Interconnection Feasibility Study to the Interconnection Customer, the applicable Participating TO shall provide to the Interconnection Customer an Interconnection System Impact Study Agreement. In addition, any other potentially-impacted Participating TO in coordination with the ISO shall determine if an Interconnection System Impact Study will be required on such other Participating TO's electrical system pursuant to a separate Interconnection System Impact Study Agreement. The Interconnection System Impact Study Agreement shall provide that the Interconnection Customer shall compensate the Participating TO for the actual cost of the Interconnection System Impact Study. Within three (3) Business Days following the Interconnection Feasibility Study results meeting, the Participating TO in coordination with the ISO shall provide to Interconnection Customer a signed System Impact Study Agreement which shall include a non-binding good faith estimate of the cost and timeframe for completing the Interconnection System Impact Study.

7.2 Execution of Interconnection System Impact Study Agreement.

The Interconnection Customer shall execute the Interconnection System Impact Study Agreement and deliver the executed Interconnection System Impact Study Agreement to the Participating TO no later than thirty (30) Calendar Days after its receipt along with a \$50,000 deposit.

If the Interconnection Customer does not provide all such technical data when it delivers the Interconnection System Impact Study Agreement, the ISO shall notify the Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Interconnection System Impact Study Agreement and the Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Interconnection System Impact Study Agreement or deposit.

If the Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Interconnection Customer, the ISO, or Participating TO, and acceptable to the others, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and re-studies shall be completed pursuant to LGIP Section 7.6 as applicable. If the Participating TO and the Interconnection Customer cannot agree that the results were unexpected, then the ISO will make a determination that the results were either expected or unexpected. For the purpose of this LGIP Section 7.2, if the Participating TO, ISO and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to LGIP Section 3.5.4, shall be the substitute.

7.3 Scope of Interconnection System Impact Study.

The applicable Participating TOs' Interconnection System Impact Study, or Studies if applicable, shall evaluate the impact of the proposed interconnection on the reliability of the applicable Participating TO's electric system. In addition the applicable Participating TO will perform a revised informational assessment, as needed, of other Participating TOs' portions of the ISO Controlled Grid, as directed by the ISO in consultation with the potentially impacted Participating TO. The Interconnection System Impact Study will consider Base Cases as well as all generating facilities (and with respect to (iv) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced: (i) are directly interconnected to the ISO Controlled Grid; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending request to interconnect to an Affected System; (iv) have a pending higher queued Interconnection Request to interconnect to the ISO Controlled Grid; and (v) have no Queue Position but have executed an LGIA or requested that an unexecuted LGIA be filed with FERC.

The Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, a power flow analysis and a Deliverability Assessment as described in LGIP Section 3.3.3. To the extent necessary and reasonably practicable, the Interconnection System Impact Study will include a revised informational power flow analysis of the ISO Controlled Grid and will include revised short circuit duty results at boundaries with other Participating TOs. The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested Interconnection Service, including a

preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Interconnection System Impact Study will provide a list of facilities on the applicable Participating TO's portion of the ISO Controlled Grid that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

7.4 Interconnection System Impact Study Procedures.

Prior to performing the Interconnection System Impact Study, the ISO will determine the responsibilities for the ISO and Participating TO to perform the study. The ISO shall coordinate the Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to LGIP Section 3.7 above. The Participating TO and/or ISO shall utilize existing studies to the extent practicable when performing the study. The Participating TO and/or ISO shall use Reasonable Efforts to complete a draft Interconnection System Impact Study within ninety (90) Calendar Days after the receipt of the Interconnection System Impact Study Agreement, study payment, and technical data. Prior to issuing study results to the Interconnection Customer, the Participating TO and/or ISO shall share results for review and comment, and incorporate comments and issue a final Interconnection System Impact Study Report within one hundred twenty (120) days after the receipt of the Interconnection System Impact Study Agreement, study payment, and technical data. If the Participating TO and/or ISO uses Clustering, the Participating TO and/or ISO shall use Reasonable Efforts to deliver a completed Interconnection System Impact Study within one hundred twenty (120) Calendar Days after the close of the Queue Cluster Window.

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

Upon request, the Participating TO and/or ISO shall provide the Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Interconnection System Impact Study, subject to confidentiality arrangements consistent with LGIP Section 13.1.

7.5 Meeting with the Participating TO and ISO.

Within ten (10) Business Days of providing an Interconnection System Impact Study report to Interconnection Customer, the Participating TO, the ISO and the Interconnection Customer shall meet to discuss the results of the Interconnection System Impact Study.

7.6 Re-Study.

If re-study of the Interconnection System Impact Study is required due to a higher queued project dropping out of the queue, a modification of a higher queued project subject to LGIP Section 4.4, or re-designation of the Point of Interconnection pursuant to LGIP Section 7.2, or any other effective change in information which necessitates a re-study, the Participating TO shall notify the Interconnection Customer and the ISO in writing along with a description of the expected results of the re-study. Upon receipt of such notice, the Interconnection Customer shall provide the ISO and the Participating TO within ten (10) Business Days either a written request that the Participating TO (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the Participating TO to continue the study, the Interconnection Customer shall pay the Participating TO an additional \$10,000 deposit for the re-study along with providing written notice for the Participating TO to continue.

Such re-study shall take no longer than sixty (60) Calendar Days from the date the Participating TO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. Prior to issuing study results to the Interconnection Customer, the Participating TO and the ISO shall share study results for review and comment and incorporate comments and issue a final study within eighty (80) Calendar Days following receipt of the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. If the Participating TO and/or the ISO is unable to complete the Interconnection System Impact Study within that time period, it shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Any and all costs of re-study shall be borne by the Interconnection Customer being re-studied.

7.7 Network Upgrades Economic Test

The Interconnection Customer must specify the Delivery Network Upgrades identified in the Interconnection System Impact Study to be included in the Interconnection Facility Study and the economic test described in Section 3.4.2 within ten (10) Business Days of receiving the completed Interconnection System Impact Study. This selection of Delivery Network Upgrades does not preclude the Interconnection Customer from removing uneconomic Delivery Network Upgrades from the list of facilities to be installed, after receiving the results of the economic test. The ISO will complete the economic test based on Network Upgrade costs developed in the Interconnection Facilities Study and present the results of the study to the Interconnection Customer and the Participating TO during the meeting described in LGIP Section 8.4. If the ISO is unable to complete the economic test prior to that meeting, it shall notify the Interconnection Customer and the Participating TO and provide an estimated completion date with an explanation of the reasons why additional time is required.

Section 8. Interconnection Facilities Study.

8.1 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Interconnection System Impact Study to the Interconnection Customer, the Participating TO shall provide to the Interconnection Customer an Interconnection Facilities Study Agreement. The Interconnection Facilities Study Agreement shall provide that the Interconnection Customer shall compensate the Participating TO for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Interconnection System Impact Study results meeting, the Participating TO in coordination with the ISO shall provide to Interconnection Customer a signed Interconnection Facilities Study Agreement which shall include a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. The Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to the Participating TO within thirty (30) Calendar Days after its receipt, together with the required technical data and the greater of \$100,000 or the Interconnection Customer's portion of the estimated monthly cost of conducting the Interconnection Facilities Study.

- 8.1.1** For studies where the estimated cost exceeds \$100,000, the Participating TO may invoice the Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study for the remaining balance of the estimated Interconnection Facilities Study cost. The Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. The Participating TO shall continue to hold the amounts on deposit until settlement of the final invoice.

8.2 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Participating TO's electric system to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Interconnection Customer's Interconnection Facilities to the ISO Controlled Grid. 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 Participating TO's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

8.3 Interconnection Facilities Study Procedures.

The ISO shall coordinate the Interconnection Facilities Study with any Affected System pursuant to LGIP Section 3.5 above. The Participating TO and/or ISO shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. The Participating TO and/or ISO shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to the Interconnection Customer. Prior to issuing draft study results to the Interconnection Customer, the Participating TO and ISO shall share results for review and incorporate comments within the following number of

days after receipt of an executed Interconnection Facilities Study Agreement: one hundred twenty (120) Calendar Days, with no more than a +/- 20 percent cost estimate contained in the report; or two hundred ten (210) Calendar Days, if the Interconnection Customer requests a +/- 10 percent cost estimate.

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

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

8.4 Meeting with Participating TO and ISO.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, the Participating TO, the ISO and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study and the economic test, if applicable. Within ten (10) Business Days of this meeting the Interconnection Customer shall make the election of which Delivery Network Upgrades identified in the Interconnection Facilities Study are to be installed. Any operating constraints on the Interconnection Customer's Generating Facility arising out of the Interconnection Customer's election not to install the Delivery Network Upgrades shall be as set forth in Article 9 and Appendix C of the LGIA.

8.5 Re-Study.

If re-study of the Interconnection Facilities Study is required due to a higher queued project dropping out of the queue or a modification of a higher queued project pursuant to LGIP Section 4.4, or any other effective change in information which necessitates a re-study, the Participating TO shall so notify the Interconnection Customer and the ISO in writing along with a description of the expected results of the re-study. Upon receipt of such notice, the Interconnection Customer shall provide the Participating TO within ten

(10) Business Days a written request that the Participating TO either (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the Participating TO to continue the study, the Interconnection Customer shall pay the Participating TO an additional \$10,000 deposit for the re-study along with providing written notice for the Participating TO to continue. Such re-study shall take no longer than sixty (60) Calendar Days from the date the Participating TO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. Prior to issuing study results to the Interconnection Customer, the Participating TO and ISO shall share study results for review and comment and incorporate comments and issue a final study within eighty (80) Calendar Days following receipt of the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. If the Participating TO and/or the ISO is unable to complete the Interconnection Facilities Study within that time period, it shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Any and all costs of re-study shall be borne by the Interconnection Customer being re-studied.

Section 9. Engineering & Procurement ("E&P") Agreement.

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

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

Section 10. Optional Interconnection Study.

10.1 Optional Interconnection Study Agreement.

On or after the date when the Interconnection Customer receives Interconnection System Impact Study results, the Interconnection Customer may request, and the Participating TO or ISO shall perform, a reasonable number of Optional Interconnection Studies. The request shall describe the assumptions that the Interconnection Customer wishes the Participating TO or ISO to study within the scope described in LGIP Section 10.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, the Participating TO or ISO shall provide to the Interconnection Customer an Optional Interconnection Study Agreement.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that the Interconnection Customer must provide for each phase of the Optional Interconnection Study, (ii) specify the 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) the Participating TO's or ISO's estimate of the cost of the Optional Interconnection Study. To the extent known by the Participating TO or ISO, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, the Participating TO or ISO 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.

The 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 the Participating TO or ISO as applicable.

10.2 Scope of Optional Interconnection Study.

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify the Participating TO'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. The Participating TO or ISO 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. The Participating TO or ISO shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

10.3 Optional Interconnection Study Procedures.

The Participating TO or ISO 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 the Participating TO or ISO is unable to complete the Optional Interconnection Study within such time period, it shall notify the 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 the Participating TO or ISO, as applicable, or refunded to the Interconnection Customer, as appropriate. Upon request, the Participating TO or ISO shall provide the 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 LGIP Section 13.1.

Section 11. Standard Large Generator Interconnection Agreement (LGIA).

11.1 Tender.

Simultaneously with the issuance of the draft Interconnection Facilities Study report to the Interconnection Customer, the Participating TO shall tender to the Interconnection Customer a draft LGIA, together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of the FERC-approved standard form LGIA. Within thirty (30) Calendar Days after the Participating TO and the ISO receive the Interconnection Customer's written comments, or notification of no comments, to the draft Interconnection Facilities Study report, the Participating TO shall tender the completed draft LGIA appendices.

11.2 Negotiation.

Notwithstanding LGIP Section 11.1, at the request of the Interconnection Customer, the Participating TO, and ISO as necessary, shall begin negotiations with the Interconnection Customer concerning the appendices to the LGIA at any time after the Interconnection Customer executes the Interconnection Facilities Study Agreement. The Participating TO and ISO, as necessary, and the 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 the Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the LGIA pursuant to LGIP Section 11.1 and request submission of the unexecuted LGIA with FERC or initiate Dispute Resolution procedures pursuant to LGIP Section 13.5. If the Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report fails to request either the filing of the unexecuted LGIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if the Interconnection Customer has not executed and returned the LGIA, requested filing of an unexecuted LGIA, or initiated Dispute Resolution procedures pursuant to LGIP Section 13.5 within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report, it shall be deemed to have withdrawn its Interconnection Request. The Participating TO shall provide to the Interconnection Customer a final LGIA within fifteen

(15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

At the time that the Interconnection Customer either returns the executed LGIA or requests the filing of an unexecuted LGIA as specified below, the Interconnection Customer shall provide the Participating TO (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at the Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Large Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract for the sale of electric energy or capacity from the Large Generating Facility; or (v) application for an air, water, or land use permit.

The Interconnection Customer shall either: (i) execute four originals of the tendered LGIA and return one to the Participating TO and two to the ISO; or (ii) request in writing that the Participating TO file with FERC an LGIA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the executed originals of the tendered LGIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, the Participating TO and ISO shall file the LGIA with FERC, as necessary, together with an explanation of any matters as to which the Interconnection Customer and the Participating TO or ISO disagree and support for the costs that the Participating TO proposes to charge to the Interconnection Customer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by the Participating TO and ISO for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities.

If the Interconnection Customer executes the final LGIA, the Participating TO, ISO and the Interconnection Customer shall perform their respective obligations in accordance with the terms of the LGIA, subject to modification by FERC. Upon submission of an unexecuted LGIA, the Interconnection Customer, Participating TO and ISO may proceed to comply with the unexecuted LGIA, pending FERC action.

11.5 Interconnection Customer to Meet Requirements of the Participating TO's Interconnection Handbook.

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Participating TO's Interconnection Handbook.

Section 12. Construction of Participating TO's Interconnection Facilities and Network Upgrades.

12.1 Schedule.

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

12.2 Construction Sequencing.

12.2.1 General.

In general, the in-service date in the LGIA of an Interconnection Customer seeking interconnection to the ISO Controlled Grid 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 the Interconnection Customer.

An Interconnection Customer with an LGIA, in order to maintain its In-Service Date, may request that the Participating TO 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 the Interconnection Customer that is seeking interconnection to the Participating TO's portion of the ISO Controlled Grid, in time to support such In-Service Date. Upon such request, the Participating TO will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that the Interconnection Customer commits to pay the Participating TO: (i) any associated expediting costs and (ii) the cost of such Network Upgrades.

The Participating TO will refund to the Interconnection Customer both the expediting costs and the cost of Network Upgrades, in accordance with Article 11.4 of the LGIA, subject to the limitations set forth in LGIP Section 3.4.3. Consequently, the entity with a contractual obligation to construct such Network Upgrades shall be obligated to pay only that portion of the costs of the Network Upgrades that the Participating TO has not refunded to the Interconnection Customer. Payment by that entity shall be due on the date that it would have been due had there been no request for advance construction. The Participating TO shall forward to the Interconnection Customer the amount paid by the entity with a contractual obligation to construct the Network Upgrades as payment in full for the outstanding balance owed to the Interconnection Customer. The Participating TO then shall refund to that entity the amount that it paid for the Network Upgrades, in accordance with Article 11.4 of the LGIA, subject to the limitations set forth in LGIP Section 3.4.3.

12.2.3 Advancing Construction of Network Upgrades that are Part of an Expansion Plan of the Participating TO.

An Interconnection Customer with an LGIA, in order to maintain its in-service date as specified in the LGIA, may request that the Participating TO 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 the Participating TO, in time to support such in-service date. Upon such request, the Participating TO will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that the Interconnection Customer commits to pay the Participating TO any associated expediting costs. The Interconnection Customer shall be entitled to refunds, if any, in accordance with this LGIP and the LGIA, for any expediting costs paid.

12.2.4 Amended Interconnection Study.

An Interconnection Study will be amended, as needed, to determine the facilities necessary to support the requested in-service date as specified in the LGIA. This amended study will include those transmission facilities, Large Generating Facilities and any other generating facilities that are expected to be in service on or before the requested in-service date. If an amendment to an Interconnection Study is required, the Participating TO shall notify the Interconnection Customer and the ISO in writing. Upon receipt of such notice, the Interconnection Customer shall provide the ISO and the Participating TO within ten (10) Business Days a written request that the Participating TO either (i) terminate the amended study and withdraw the Interconnection Customer's Interconnection Request or (ii) continue with the amended study. If the Interconnection Customer requests the Participating TO to continue with the amended study, the Interconnection Customer shall pay the Participating TO an additional \$10,000 deposit for the amended study along with providing written notice for the Participating TO to continue. Such amended study shall take no longer than sixty (60) Calendar Days from the date the Participating TO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. Prior to issuing study results to the Interconnection Customer, the Participating TO and ISO shall share study results for review and comment, and incorporate comments and issue a final study within eighty (80) Calendar Days from the date of the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. If the Participating TO is unable to complete the amended Interconnection Study within that time period, it shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Any and all costs of the amended study shall be borne by the Interconnection Customer being re-studied.

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 any of the Parties to the other Parties 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 Parties receiving the information that the information is confidential.

If requested by any Party, the other Parties shall provide in writing, the basis for asserting that the information referred to in this Section warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

The confidentiality provisions of this LGIP are limited to information provided pursuant to this LGIP.

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 LGIP 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 LGIP. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Parties that it no longer is confidential.

13.1.2 Release of Confidential Information.

No Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, Affiliates (limited by FERC's Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358), 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 LGIP 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 LGIP 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 Parties. The disclosure by each Party to the other Parties of Confidential Information shall not be deemed a waiver by a 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, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties 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 Parties 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 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 other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of the LGIP. 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.

Monetary damages are inadequate to compensate a Party for another Party's breach of its obligations under this LGIP Section 13.1. Each Party accordingly agrees that the other Parties 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 LGIP 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 LGIP Section 13.1, but shall be in addition to all other remedies available at law or in equity. Further, 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 LGIP 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 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the LGIP, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. 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 Parties prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other applicable Parties when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. 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 LGIP Section 13.1.8, any Confidential Information shall not be disclosed by the other Parties to any person not employed or retained by the other Parties, 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 Parties, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Parties in writing of the information it claims is confidential. Prior to any disclosures of another 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 The Participating TO or ISO 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.

The Participating TO and ISO may use the services of subcontractors as deemed

appropriate to perform their obligations under this LGIP. The Participating TO or ISO shall remain primarily liable to the Interconnection Customer for the performance of its respective 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.

The Participating TO or ISO shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded to the Interconnection Customer. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. The Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefor. The Participating TO or ISO shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) the Interconnection Customer receives notice pursuant to LGIP Sections 6.3, 7.4 or 8.3 that the Participating TO or ISO will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) the Interconnection Customer receives neither the Interconnection Study nor a notice under LGIP Sections 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study, then the Interconnection Customer may require the Participating TO or ISO to utilize a third party consultant reasonably acceptable to Interconnection Customer and Participating TO or ISO to perform such Interconnection Study under the direction of the Participating TO or ISO. At other times, Participating TO or ISO may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of the 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 the Participating TO and ISO determine that doing so will help maintain or accelerate the study process for the Interconnection Customer's pending Interconnection Request and not interfere with the Participating TO's and ISO's progress on Interconnection Studies for other pending Interconnection Requests. In cases where the Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Participating TO or ISO shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Participating TO or ISO 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 LGIP Section 13.1. In any case, such third party contract may be entered into with either the Interconnection

Customer or the Participating TO or ISO at the Participating TO's or ISO discretion. In the case of (iii) the 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), the ISO Tariff, and the relevant Participating TO's TO Tariff as would apply if the Participating TO or ISO 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. The Participating TO or ISO 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.

All disputes arising out of or in connection with this LGIP whereby relief is sought by or from the ISO shall be settled in accordance with the ISO ADR Procedures. Disputes arising out of or in connection with this LGIP not subject to the ISO ADR Procedures shall be resolved as follows:

13.5.1 Submission.

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

13.5.2 External Arbitration Procedures.

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

Issued by: Charles F. Robinson, Vice President and General Counsel

Issued on: April 26, 2004

Effective: Upon approval of the Commission

13.5.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the LGIA and LGIP and shall have no power to modify or change any provision of the LGIA and LGIP in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.

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.

13.6 Local Furnishing Bonds.

13.6.1 Participating TOs That Own Facilities Financed by Local Furnishing Bonds.

This provision is applicable only to a Participating TO that has financed facilities for the local furnishing of electric energy with Local Furnishing Bonds. Notwithstanding any other provisions of this LGIP, the Participating TO and the ISO shall not be required to provide Interconnection Service to the Interconnection Customer pursuant to this LGIP and the LGIA if the provision of such Interconnection Service would jeopardize the tax-exempt status of any Local Furnishing Bond(s) issued for the benefit of the Participating TO.

13.6.2 Alternative Procedures for Requesting Interconnection Service.

If the Participating TO determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any Local Furnishing Bond(s) issued for the benefit of the Participating TO, it shall advise the Interconnection Customer and the ISO within (30) Calendar Days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for the same interconnection Service by tendering an application under Section 211 of the Federal Power Act, in which case the Participating TO, within ten (10) Calendar Days of receiving a copy of the Section 211 application, will waive its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act, and the ISO and Participating TO shall provide the requested Interconnection Service pursuant to the terms and conditions set forth in this LGIP and the LGIA.

APPENDIX 1 TO LGIP

APPENDIX 1 INTERCONNECTION REQUEST

**APPENDIX 1 to LGIP
INTERCONNECTION REQUEST**

Provide three copies of this completed form pursuant to Section 7 below.

1. The undersigned Interconnection Customer submits this request to interconnect its Large Generating Facility with the ISO Controlled Grid pursuant to the ISO 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.
4. The Interconnection Customer provides the following information:
 - a. Address or location of the proposed new Large Generating Facility site or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;
 - b. Maximum 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. Type of project (i.e., gas turbine, hydro, wind, etc.) and general description of the equipment configuration;
 - d. Proposed In-Service Date, Trial Operation date and Commercial Operation Date by day, month, and year and term of service;
 - e. Name, address, telephone number, and e-mail address of the Interconnection Customer's contact person;
 - f. Approximate location of the proposed Point of Interconnection; and
 - g. Interconnection Customer Data (set forth in Attachment A)
5. Applicable deposit amount as specified in the LGIP.
6. Evidence of Site Control as specified in the LGIP and name(s), address(es) and contact information of site owner(s) (check one):
☐ Is attached to this Interconnection Request
☐ Will be provided at a later date in accordance with this LGIP

7. This Interconnection Request shall be submitted to the representative indicated below:

New Resource Interconnection
California ISO
P.O. Box 639014
Folsom, CA 95763-9014

Overnight address: 151 Blue Ravine Road, Folsom, CA 95630

8. Representative of the Interconnection Customer to contact:

[To be completed by the Interconnection Customer]

9. This Interconnection Request is submitted by:

Name of the Interconnection Customer:

By (signature):

Name (type or print):

Title:

Date:

**Attachment A
To Appendix 1
Interconnection Request**

LARGE GENERATING FACILITY DATA

Provide three copies of this completed form pursuant to Section 7 of Appendix 1.

1. Provide two original prints and one reproducible copy (no larger than 36" x 24") of the following:

- A. Site drawing to scale, showing generator location and point of interconnection with the ISO Controlled Grid.
- B. Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required protection devices and circuit breakers. For wind generator farms, the one line diagram should include the distribution lines connecting the various groups of generating units, the generator capacitor banks, the step up transformers, the distribution lines, and the substation transformers and capacitor banks at the point of interconnection with the utility.

2. Generating Facility Information

- A) Total Generating Facility rated output (kW): _____
- B) Generating Facility auxiliary load (kW): _____
- C) Project net capacity (kW): _____
- D) Standby load when Generating Facility is off-line (kW): _____
- E) Number of Generating Units: _____
(Please repeat the following items for each generator)
- F) Individual generator rated output (kW for each unit): _____
- G) Manufacturer: _____
- H) Year Manufactured: _____
- I) Nominal Terminal Voltage: _____
- J) Rated Power Factor (%): _____
- K) Type (Induction, Synchronous, D.C. with Inverter): _____
- L) Phase (3 phase or single phase): _____
- M) Connection (Delta, Grounded WYE, Ungrounded WYE, impedance grounded): _____
- N) Generator Voltage Regulation Range: _____
- O) Generator Power Factor Regulation Range: _____
- P) For combined cycle plants, specify the plant output for an outage of the steam turbine or an outage of a single combustion turbine: _____

3. Synchronous Generator – General Information:

(Please repeat the following for each generator)

- A. Rated Generator speed (rpm): _____
- B. Rated MVA: _____
- C. Rated Generator Power Factor: _____
- D. Generator Efficiency at Rated Load (%): _____**
- E. Moment of Inertia (including prime mover): _____
- F. Inertia Time Constant (on machine base) H: _____ sec or MJ/MVA
- G. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current):

- H. Please attach generator reactive capability curves.
- I. Rated Hydrogen Cooling Pressure in psig (Steam Units only): _____
- J. Please attach a plot of generator terminal voltage versus field current that shows the air gap line, the open-circuit saturation curve, and the saturation curve at full load and rated power factor.

4. Excitation System Information

(Please repeat the following for each generator)

- A. Indicate the Manufacturer _____ and Type _____ of excitation system used for the generator. For exciter type, please choose from 1 to 8 below or describe the specific excitation system.
 - 1) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is independent of the generator terminal voltage and current.
 - 2) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is bus fed from the generator terminal voltage.
 - 3) Rotating DC commutator exciter with non-continuously acting regulator (i.e., regulator adjustments are made in discrete increments).
 - 4) Rotating AC Alternator Exciter with non-controlled (diode) rectifiers. The regulator power source is independent of the generator terminal voltage and current (not bus-fed).
 - 5) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers. The regulator power source is fed from the exciter output voltage.
 - 6) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers.
 - 7) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from the generator terminal voltage.

- 8) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from a combination of generator terminal voltage and current (compound-source controlled rectifiers system).
- B. Attach a copy of the block diagram of the excitation system from its instruction manual. The diagram should show the input, output, and all feedback loops of the excitation system.
- C. Excitation system response ratio (ASA): _____
- D. Full load rated exciter output voltage: _____
- E. Maximum exciter output voltage (ceiling voltage): _____
- F. Other comments regarding the excitation system?

5. Power System Stabilizer Information.

(Please repeat the following for each generator. All new generators are required to install PSS unless an exemption has been obtained from WECC. Such an exemption can be obtained for units that do not have suitable excitation systems.)

- A. Manufacturer: _____
- B. Is the PSS digital or analog? _____
- C. Note the input signal source for the PSS?
_____ Bus frequency _____ Shaft speed _____ Bus Voltage
_____ Other (specify source)
- D. Please attach a copy of a block diagram of the PSS from the PSS Instruction Manual and the correspondence between dial settings and the time constants or PSS gain.
- E: Other comments regarding the PSS?

6. Turbine-Governor Information

(Please repeat the following for each generator)

Please complete Part A for steam, gas or combined-cycle turbines, Part B for hydro turbines, and Part C for both.

A. Steam, gas or combined-cycle turbines:

- 1.) List type of unit (Steam, Gas, or Combined-cycle): _____
- 2.) If steam or combined-cycle, does the turbine system have a reheat process (i.e., both high and low pressure turbines)? _____
- 3.) If steam with reheat process, or if combined-cycle, indicate in the space provided, the percent of full load power produced by each turbine:
Low pressure turbine or gas turbine: _____%
High pressure turbine or steam turbine: _____%

B. Hydro turbines:

- 1.) Turbine efficiency at rated load: _____%
- 2.) Length of penstock: _____ft
- 3.) Average cross-sectional area of the penstock: _____ft²
- 4.) Typical maximum head (vertical distance from the bottom of the penstock, at the gate, to the water level): _____ft
- 5.) Is the water supply run-of-the-river or reservoir: _____
- 6.) Water flow rate at the typical maximum head: _____ft³/sec
- 7.) Average energy rate: _____kW-hrs/acre-ft
- 8.) Estimated yearly energy production: _____kW-hrs

C. Complete this section for each machine, independent of the turbine type.

- 1.) Turbine manufacturer: _____
- 2.) Maximum turbine power output: _____MW
- 3.) Minimum turbine power output (while on line): _____MW
- 4.) Governor information:
 - a: Droop setting (speed regulation): _____
 - b: Is the governor mechanical-hydraulic or electro-hydraulic (Electro-hydraulic governors have an electronic speed sensor and transducer.)?

 - c: Other comments regarding the turbine governor system?

7. Synchronous Generator and Associated Equipment – Dynamic Models:

For each generator, governor, exciter and power system stabilizer, select the appropriate dynamic model from the General Electric PSLF Program Manual and provide the required input data. The manual is available on the GE website at www.gepower.com. Select the following links within the website: 1) Our Businesses, 2) GE Power Systems, 3) Energy Consulting, 4) GE PSLF Software, 5) GE PSLF User's Manual.

There are links within the GE PSLF User's Manual to detailed descriptions of specific models, a definition of each parameter, a list of the output channels, explanatory notes, and a control system block diagram. The block diagrams are also available on the Ca-ISO website.

If you require assistance in developing the models, we suggest you contact General Electric. Accurate models are important to obtain accurate study results. Costs associated with any changes in facility requirements that are due to differences between model data provided by the generation developer and the actual generator test data, may be the responsibility of the generation developer.

8. Induction Generator Data:

- A. Rated Generator Power Factor at rated load: _____
- B. Moment of Inertia (including prime mover): _____
- C. Do you wish reclose blocking? Yes ____, No ____
Note: Sufficient capacitance may be on the line now, or in the future, and the generator may self-excite unexpectedly.

9. Generator Short Circuit Data

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

- $X''1$ – positive sequence subtransient reactance: _____
- $X''2$ – negative sequence subtransient reactance: _____
- $X''0$ – zero sequence subtransient reactance: _____

Generator Grounding:

- A. _____ Solidly grounded
- B. _____ Grounded through an impedance

Impedance value in p.u on generator base. R: _____ p.u.

X: _____ p.u.

- C. _____ Ungrounded

10. Step-Up Transformer Data

For each step-up transformer, fill out the data form provided in Table 1.

11. Line Data

There is no need to provide data for new lines that are to be planned by the Participating TO. However, for transmission lines that are to be planned by the generation developer, please provide the following information:

Nominal Voltage: _____
Line Length (miles): _____
Line termination Points: _____
Conductor Type: _____ Size: _____
If bundled. Number per phase: _____, Bundle spacing: _____ in.
Phase Configuration. Vertical: _____, Horizontal: _____
Phase Spacing (ft): A-B: _____, B-C: _____, C-A: _____
Distance of lowest conductor to Ground: _____ ft
Ground Wire Type: _____ Size: _____ Distance to Ground: _____ ft
Attach Tower Configuration Diagram
Summer line ratings in amperes (normal and emergency) _____
Resistance (R): _____ p.u.**
Reactance: (X): _____ p.u.**
Line Charging (B/2): _____ p.u.**
** On 100-MVA and nominal line voltage (kV) Base

12. Wind Generators

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

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

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: _____

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Substitute Original Sheet No. 931

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: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device then they shall be provided and discussed at Scoping Meeting.

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: April 26, 2004

Effective: Upon approval of the Commission

TABLE 1
 TRANSFORMER DATA

UNIT _____			
NUMBER OF TRANSFORMERS _____		PHASE _____	
RATED KVA	H Winding	X Winding	Y Winding
Connection (Delta, Wye, Gnd.)	_____	_____	_____
55 C Rise	_____	_____	_____
65 C Rise	_____	_____	_____
RATED VOLTAGE	_____	_____	_____
BIL	_____	_____	_____
AVAILABLE TAPS (planned or existing)	_____	_____	_____
LOAD TAP CHANGER?	_____	_____	_____
TAP SETTINGS	_____	_____	_____
COOLING TYPE : OA _____ OA/FA _____ OA/FA/FA _____ OA/FOA _____			
IMPEDANCE	H-X	H-Y	X-Y
Percent	_____	_____	_____
MVA Base	_____	_____	_____
Tested Taps	_____	_____	_____
WINDING RESISTANCE	H	X	Y
Ohms	_____	_____	_____

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Substitute Original Sheet No. 933

CURRENT TRANSFORMER RATIOS

H_____ X_____ Y_____ N_____

PERCENT EXCITING CURRENT 100 % Voltage; _____ 110% Voltage_____

Supply copy of nameplate and manufacture's test report when available

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: April 26, 2004

Effective: Upon approval of the Commission

ATTACHMENT E

Changes to LGIP Defined Terms Incorporated in ISO Tariff Appendix A, Master Definitions Supplement, Reflecting Order No. 2003-A

Commercial Operation	The status of a Generating Unit at a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.
Commercial Operation Date	The date on which an Interconnection Customer commences commercial operation of the a Generating uUnit at the a Generating Facility after Trial Operation of such unit has been completed as confirmed in writing substantially in the form shown commences Commercial Operation as agreed to by the applicable Participating TO and the Interconnection Customer pursuant to in Appendix E to the Standard Large Generator Interconnection Agreement.

Commercial Operation

The status of a Generating Unit at a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.

Commercial Operation Date

The date on which a Generating Unit at a Generating Facility commences Commercial Operation as agreed to by the applicable Participating TO and the Interconnection Customer pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Conditional Energy Bids

A Bid for Energy to serve Demand at or below a specified price.

Congestion

A condition that occurs when there is insufficient Available Transfer Capacity to implement all Preferred Schedules simultaneously or, in real time, to serve all Generation and Demand. "Congested" shall be construed accordingly.

Congestion Management

The alleviation of Congestion in accordance with Applicable ISO Protocols and Good Utility Practice.

Congestion Management Charge

The component of the Grid Management Charge that provides for the recovery of the ISO's costs of operating the Congestion Management process, including, but not limited to, the management and operation of inter-zonal congestion markets, adjustment bids, taking Firm Transmission Rights and Existing Contracts into account, and determining the price for mitigating congestion for flows on congested paths. The formula for determining the Congestion Management Charge is set forth in Appendix F, Schedule 1, Part A of this Tariff.