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August 30, 2005

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 Nos. ER04-445-____**

Dear Secretary Salas:

In compliance with the Federal Energy Regulatory Commission's ("Commission" or "FERC") July 1, 2005 "Order Accepting in Part and Rejecting in Part Order Nos. 2003, 2003-A, and 2003-B Compliance Filings," 112 FERC ¶ 61,009 (2005) ("July 1 Order"), its June 16, 2005 "Order on Rehearing," 111 FERC ¶ 61,401 (2005) ("Order No. 2003-C"), and its August 26, 2005 "Order Granting Extension of Time and Motion for Clarification and Denying Request Rehearing," 112 FERC ¶ 61,231 (2005) ("August 26 Order"), the California Independent System Operator Corporation ("ISO") hereby submits six copies of its interim Standard Large Generator Interconnection Procedures ("LGIP") for Commission approval and inclusion in the ISO Tariff.¹ Concurrent with this filing, the ISO is also jointly filing with the affected Participating Transmission Owners ("PTOs")² the Standard Large Generator Interconnection Agreement ("LGIA"). The ISO is also tendering two copies to be time and date stamped and returned to our courier.

¹ Capitalized terms that are not otherwise defined are defined in the Master Definitions Supplement, Appendix A to the ISO Tariff ("ISO Master Definitions Supplement").

² 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.

I. BACKGROUND

A. Order No. 2003

On July 24, 2003, the Commission issued its order standardizing agreements and procedures for generation interconnection to electrical transmission systems.³ Order No. 2003 both addressed comments received in the interconnection rulemaking process, 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.⁴ In addressing the issue of variations from the standardized *pro forma* interconnection procedures and agreement set forth in Order No. 2003, the Commission indicated that “non-independent Transmission Providers” would be permitted to propose deviations from the FERC pro-forma LGIP and LGIA only if the deviations were in response to established regional reliability standards or were “consistent with or superior to” the pro forma provisions.⁵ In contrast, the Commission stated that it would allow regional transmission organizations (“RTOs”) and independent system operators “more flexibility to customize an LGIP and LGIA to meet their regional needs,” in regards to terms, conditions, and pricing policies.⁶ RTOs and independent system operators were therefore permitted to submit LGIP and LGIA terms and conditions that meet an “independent entity variation” standard that is more flexible than the “consistent with or superior to” and regional difference standards.

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 greatest extent possible, certain modifications had been made where necessary to (1) specify the agreed upon respective roles of the ISO and 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 FERC *pro forma* LGIP. These proposed modifications

³ 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”).

⁴ Order No. 2003 at P 910.

⁵ Order No. 2003 at P 26.

⁶ *Id.*

were listed, along with the rationale for making these changes, in several change matrices included with the January 20 filing.

C. Order No. 2003-A and Filing of a Revised LGIP

On March 5, 2004, the Commission issued its Order on Rehearing of Order No. 2003.⁷ 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 flexibility to tailor the LGIP and LGIA in order to best meet their regional needs, pursuant to the "independent entity standard."⁸ 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-A⁹ either: (1) a notice that it intended 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 would not be 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.

After the issuance of Order No. 2003-A, the ISO and active PTOs commenced an extensive collaborative effort to review that order and identify those portions of the original LGIP that should be modified pursuant to Order No. 2003-A, as well as any necessary or desirable changes to the *pro forma* language adopted in Order No. 2003-A. Through the dedicated efforts of staff from the ISO and the active PTOs, the ISO

⁷ Order on Rehearing, 106 FERC ¶ 61,220 (2004) ("Order No. 2003-A").

⁸ 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 meet an 'independent entity variation' standard that is more flexible than the 'consistent with or superior to' standard and the regional differences standard."

⁹ 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.

and PTOs were able to reach consensus on all of the proposed revisions to the ISO's original LGIP compliance filing.

On April 26, 2004, the ISO filed with the Commission a revised LGIP pursuant to Order No. 2003-A. Consistent with the approach adopted in the ISO's original LGIP compliance filing, the ISO endeavored to retain the language of the *pro forma* LGIP, as revised in Order No. 2003-A, to the greatest extent possible. Indeed, most of the modifications reflected in that filing were 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 proposed in order to (1) specify the respective roles of the ISO and PTOs, (2) reflect regional differences, or (3) incorporate variations in accordance with the "independent entity variation" standard. The ISO also noted that many of the changes were consistent with or superior to the *pro forma* LGIP adopted in Order No. 2003-A and could be justified on this additional ground as well.

Changes to the language of the LGIP as originally filed by the ISO on January 20, 2004 were shown in matrices attached to the April 26 filing. Because there were no revisions made to the *pro forma* study agreements, those documents were not included as part of the April 26 compliance filing.

D. July 30 Order

In an order issued on July 30, 2004,¹⁰ the Commission rejected in their entirety both of the ISO's Order No. 2003 and 2003-A LGIP filings. The Commission did not address the merits of either filing. Instead, it based its rejection of the ISO's filings solely on its conclusion that the ISO was not permitted to propose variations from the FERC *pro forma* LGIP using the "independent entity variation" standard because the Commission had already found that the ISO was not "independent."¹¹ With respect to the ISO's statement that many of the proposed modifications meet the "consistent with or superior to" standard, the Commission found that the ISO's request was insufficient to trigger the application of that standard because the ISO had not "explained with specificity which variations are 'consistent with or superior to' the *pro forma* provisions or how each variation specifically meets the standard."¹² The Commission directed the ISO to submit a compliance filing within 60 days of the date of the July 30 Order adopting the FERC *pro forma* LGIP, with any proposed variations based on either the "consistent with or superior to" standard or the regional variations standard.

¹⁰ *Order Rejecting Order Nos. 2003 and 2003-A Compliance Filings*, 108 FERC ¶ 61,104 (2004) ("July 30 Order").

¹¹ July 30 Order at P 24 (*citing Order Concerning Governance of the California Independent System Operator Corporation*, 100 FERC ¶ 61,059 (2002)).

¹² *Id.*

On August 30, 2004, due to the anticipated appointment of several new members to the ISO Governing Board, the ISO submitted a request for a 90-day extension of the deadline for filing the compliance filing required in the July 30 Order. On September 28, 2004, the Commission granted the ISO's request, setting January 5, 2005 as the deadline for filing the LGIP and joint LGIA required by the July 30 Order.

In a motion filed December 30, 2004, the ISO, along with the active PTOs, requested that the Commission issue an order postponing the effective date of the January 5 compliance filing until after the Commission had reviewed and approved it. In the alternative, the ISO and active PTOs requested that the Commission postpone the effective date until after the Commission had also reviewed and approved a subsequent filing in compliance with Order No. 2003-B. The ISO and active PTOs further requested that the Commission issue a ruling granting the requested extension prior to the date of the January 5 filing.

On January 5, 2005, the Commission issued an order granting the ISO's and PTOs' request for an extension of the effective date of the January 5 compliance filing. 110 FERC ¶ 61,004 (2005) ("January 5 Order"). The Commission indicated that the January 5 compliance filing would not become effective until after Commission review and approval of that filing, and that during the interim, existing ISO and PTO interconnection procedures would continue in effect.

E. Filing of Compliance Filings Pursuant to July 30 Order and Order No. 2003-B

On January 5, 2005, the ISO submitted to the Commission its LGIP in compliance with the Commission's July 30 Order ("January 5 filing"). Therein, the ISO reiterated its belief that it was appropriate for the Commission to review the ISO's proposed modifications to the *pro forma* LGIP under the "independent entity variations" standard applicable to independent system operators.¹³ Nevertheless, in order to satisfy the Commission's directive in the July 30 Order that any proposed variations from the FERC *pro forma* LGIP must meet the "consistent with or superior to" standard, and that the reasons these modifications meet that standard be explained with specificity, the ISO included, as Attachment A to the January 5 filing, a matrix of changes that reflected all of the proposed alterations to the Commission's *pro forma* LGIP, and included, for each change, an explanation of how that change is "consistent with or superior to" the Commission's *pro forma* LGIP. A similar change matrix for the study agreements was included as Attachment B to that filing. The majority of the ISO's proposed variations fell into one or more of eight broad categories, which the ISO described in its transmittal letter accompanying the January 5 filing.

¹³

On August 30, 2004, the ISO filed a request for rehearing of the July 30 Order, explaining in detail why it was appropriate for the Commission to permit the ISO to justify its proposed modifications to the *pro forma* LGIP under the "independent entity variation standard."

On February 18, 2005, the ISO filed with the Commission an LGIP taking account of the modifications to the Commission's pro-forma LGIP set forth in the Commission's Order on Rehearing of Order No. 2003-A, 109 FERC ¶ 61,287 (2004) ("Order No. 2003-B") which upheld, with certain clarifications, the fundamental determinations made in Orders 2003 and 2003-A.

F. Order No. 2003-C

On June 16, 2005, the Commission issued its Order on Rehearing of Order No. 2003-B. Therein, the Commission affirmed, with certain clarifications, Order No. 2003-B. And as with the Order No. 2003-B compliance process, the Commission required each non-independent transmission provider to amend its tariff to include the LGIP and LGIA clarifications therein within 60 days of the issuance of Order No. 2003-C. The Commission also stated that 60 days after issuance of Order No. 2003-C, each independent transmission provider must submit revised tariff sheets incorporating its clarifications to its tariff, or provide an explanation under the independent entity variation standard as to why it is not proposing to adopt specific clarifications.

G. July 1 Order and Request for Extension

On July 1, 2005, the Commission issued an order addressing the ISO's January 5, 2005 and February 18, 2005 LGIP compliance filings, as well as the joint ISO/PTO LGIA compliance filings made on those same dates. Addressing the question of the applicable standard of review, the Commission noted that it was contemporaneously issuing an order in Docket No. EL05-114-000 finding that the ISO met the Commission's independence standards for independent system operators. Therefore, the Commission ruled that it would review the ISO and PTOs' proposed modifications to the pro forma LGIP and LGIA under the "independent entity variation" standard. With respect to the substance of the filings, the Commission approved most of the ISO and PTOs' proposed modifications to the pro forma LGIP and LGIA, but rejected several, and required a number of modifications. The Commission directed the ISO to make a conforming compliance filing within 60 days of the date of the July 1 Order.

On July 15, 2005, the ISO, jointly with the PTOs, requested a fifteen day extension of time from the Commission to make the compliance filings required by Order No. 2003-C as well as the Commission's order on interconnection of wind generating facilities, so that the ISO and PTOs could make these filings concurrent with the filings required by the July 1 Order.¹⁴ The Commission granted this request in an order issued on August 2, 2005, 112 FERC ¶ 61,159 (2005).

¹⁴ Interconnection for Wind Energy, Order No 661, 70 Fed. Reg. 34,993, FERC Stats. & Regs. ¶ 31,186 (2005). Subsequent to the ISO and PTO filing of the requested fifteen day extension of time, the Commission issued an order extending the date for submitting compliance filings pursuant to this order to

H. August 26 Order Denying Rehearing and Granting Clarification and Extension of Time

In the July 1 Order, the Commission directed the ISO and the PTOs to adopt a centralized study process, under which the ISO conducts the interconnection studies, and to submit the tariff revisions necessary to implement this process in the ISO's compliance filing made pursuant to the July 1 Order. The PTOs filed a joint request for rehearing and clarification of the July 1 Order ("PTO Rehearing") on the centralized study process mandate, arguing, among other things, that the Commission had no legal authority to transfer the interconnection study function from the PTOs to the ISO. Additionally, the PTOs sought rehearing of the Commission's rejection of the ISO and PTO's proposal to amend LGIA article 11.5 to require Interconnection Customers to post additional security operation and maintenance expenses and estimated removal costs.

The PTO Rehearing also included a motion to partially postpone the ISO's compliance filing to allow the ISO "a minimum of six months to conduct a stakeholder process, and develop a detailed, consensus proposal for any further centralizing of the interconnection study function." PTO Rehearing at 23. On August 10, 2005, the ISO filed an answer to the PTO Rehearing solely on the motion to extend the filing date, in which the ISO stated that it agreed with the PTOs that 60 days was not sufficient for developing a centralized study process, but concluded that an extension of approximately six weeks, up to October 14, 2005, rather than six months, would allow the ISO and stakeholders sufficient time to develop and file an LGIP that incorporated the centralized study process.

In the August 26 Order, the Commission clarified several aspects of the July 1 Order's directive regarding the centralized study process, including: (1) that the ISO should collaborate with interested stakeholders in developing the proposal, (2) that the PTOs may participate in the interconnection studies under the centralized process, subject to qualifications, and (3) that disputes under the centralized process may be resolved under the ISO's dispute resolution process.¹⁵ Because of these clarifications by the Commission, the Commission generally did not address the PTOs' requests for rehearing. However, the Commission did deny the PTOs' request for rehearing regarding amending LGIA article 11.5 to require additional security.¹⁶

November 14, 2005, and accordingly the ISO has not included any provisions in this filing in response to that order.

¹⁵ August 26 Order at PP 20-22.

¹⁶ *Id.* at PP 22 and 24.

Finally, the August 26 Order granted an extension of time to file language implementing a centralized study process. The new compliance filing deadline was extended until October 14, 2005.¹⁷

II. CONTENTS OF FILING

This filing comprises:

This Transmittal Letter

Attachment A	LGIP Tariff Language Blacklined Against LGIP filed on February 18, 2005
Attachment B	LGIP Study Agreements Blacklined Against LGIP Study Agreements filed on January 5, 2005
Attachment C	LGIP Tariff Sheets Clean, including Study Agreements
Attachment D	ISO Tariff Section 5.7 Blacklined Against Section 5.7 as filed on January 5, 2005
Attachment E	ISO Tariff Section 5.7 Clean
Attachment F	ISO Master Definitions Supplement Blacklined Against Master Definitions Supplement as filed on January 5, 2005
Attachment G	ISO Master Definitions Supplement Clean
Attachment H	New ISO Tariff Appendix W Blacklined
Attachment I	New ISO Tariff Appendix W Clean
Attachment J	Notice Suitable for Publication in the Federal Register

III. COMMUNICATIONS

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

¹⁷ *Id.* at P 17.

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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 the July 1 Order, which required the ISO to submit a compliance filing within 60 days of the date of that order, the August 26 Order, and Order No. 2003-C, which required all transmission operators to submit, within 60 days of the date of that order, a compliance filing taking into account the changes described therein. Included with the instant filing is the *pro forma* LGIP to be incorporated into the ISO Tariff, updated to take account of the revisions ordered by the Commission in the July 1 Order, and the change made to the Commission's *pro forma* LGIP in Order No. 2003-C. The ISO is also including new versions of ISO Tariff Section 5.7 and the ISO Tariff Master Definitions Supplement that incorporate revisions made in accordance with the July 1 Order. Also, in addition to minor substantive revisions to the various study agreements, the ISO is submitting these agreements modified so as to indicate that they are part of the ISO Tariff, as required by the Commission in the July 1 Order. Both the LGIP and the study agreements are designated as Appendix U to the ISO Tariff.

In addition, as discussed in more detail below, the ISO is re-inserting a slightly modified form of the provisions deleted from ISO Tariff Section 5.7 and the associated definitions deleted from the ISO Tariff Master Definitions Supplement as a new

Appendix W to the ISO Tariff in order to preserve the ISO's prior interconnection procedures for application to Small Generating Facilities and to "grandfathered" Large Generating Facilities during the transition period to the LGIP procedures. Blacklined sheets of new Appendix W, showing changes made against the provisions deleted from ISO Tariff Section 5.7, are included with this filing as Attachment H and a clean version is included as Attachment I.

The ISO has used the LGIP that it filed on February 18, 2005, and ISO Tariff Section 5.7 and the Master Definitions Supplement as filed on January 5, 2005 as the baseline against which changes to these provisions are reflected. Included as Attachments A, B, D, and F, respectively, are blackline sheets showing each proposed change from the LGIP filed on February 18, and the study agreements, Section 5.7, and the Master Definitions Supplement filed on January 5.

B. Interim LGIP

Consistent with the Commission's August 26 Order granting in part and rejecting in part the PTO's requested extension of time to file tariff provisions reflecting the centralized study process, the LGIP being filed by the ISO today does not include language implementing a centralized study process. Rather, the attached LGIP retains the study process as set forth in the LGIP included in the ISO's February 18, 2005 filing. The ISO proposes to retain this process on an interim basis, until the effective date of the LGIP language filed by the ISO implementing the centralized study process. The ISO submits that retaining the study language from the February 18 LGIP is consistent with the Commission's July 1 and August 26 Orders. Other than the requirement that the study process be centralized and conducted by the ISO, the Commission did not find any of the study language in the February 18 LGIP to be unjust or unreasonable. Therefore, it is appropriate to retain this study process language on an interim basis.

C. Revisions Made Pursuant to the July 1 Order

As noted above, the Commission required a number of revisions to the ISO's LGIP in the July 1 Order. These revisions are shown in blackline against the LGIP filed by the ISO on February 18, and the LGIP study agreements, ISO Tariff Section 5.7, and ISO Master Definitions Supplement filed by the ISO on January 5 in Attachments A, B, D, and F, respectively. A discussion of the major revisions to these documents follows:

1. Changes to the LGIP

Maintenance of Encumbrances – In its February 2005 Deficiency Letter, the Commission requested that the ISO explain why it had removed the maintenance of Encumbrances service provision from its Tariff. In response, the ISO stated that it had done so because no equivalent provision was included in the Commission's *pro forma* LGIP, but noted that it had no objection to adding a similar provision to the ISO LGIP requiring Interconnection Customers to mitigate adverse effects on existing

Encumbrances, if directed to do so by the Commission as part of a further compliance filing, and indeed, that the ISO considered such a provision to be a useful clarification with respect to ISO's administration of the relationship between these different aspects of the operation of the electric system. The ISO proposed that the substance of Section 5.7.5.1 of its Tariff be added to the LGIP as Section 2.5. In the July 1 Order, the Commission accepted the ISO's proposal.

Upon further consideration of the appropriate placement of this provision in compliance with the Commission's ruling, the ISO is proposing to adopt as Section 5.7.3 of the ISO Tariff the language concerning Maintenance of Encumbrances that was previously set forth in Section 5.7.5.1 of the ISO Tariff, with several minor changes necessary to make the language of this provision consistent with the terminology used throughout the LGIP and the ISO Tariff. This will ensure that the provision applies equally to both Large Generating Facilities and Small Generating Facilities, which placement in the LGIP would not have accomplished.

Economic Test – In the July 1 Order, the Commission rejected the ISO's proposal to cap reimbursement for network upgrades that exceed the lesser of \$20 million or \$200,000 per MW of installed capacity in costs, based on whether the economic benefits offered by those upgrades exceeded their total cost. The Commission explained that the ISO had not provided the necessary level of specificity sufficient to avoid the potential for discriminatory application. The Commission explained, however, that its rejection of the Economic Test was without prejudice.

In order to effectuate the Commission's ruling, the ISO has removed LGIP Section 3.4.2, entitled "Economic Test" and LGIP Section 7.7, entitled "Network Upgrades Economic Test." However, the ISO has proposed to retain LGIP Section 3.4.2 as a blank section in case the ISO decides to re-file some version of the Economic Test for Commission approval in the future. The ISO has also deleted references to the Economic Test, either explicitly or implicitly, in several other sections of the LGIP, including LGIP Sections 3.2(a), 3.4.1, 3.4.3, and 12.2.2.

Informational Studies – In the July 1 Order, the Commission rejected the ISO's proposal to allow an interconnecting PTO to perform informational assessments on "affected PTOs," that is, non-interconnecting PTOs on whose system an interconnection might require upgrades. The Commission directed the ISO to include the information assessment component of the interconnection studies in the centralized study process required by the Commission. However, in the interim, prior to the development of a centralized study process, the Commission ruled that where a third party could be affected by an Interconnection Request because it is at or near the boundary of an affected PTO(s) service territory or other Affected System, or could otherwise impact a third party system, the potentially affected PTO(s) or other Affected System(s) must be invited to the Scoping Meeting. The affected entity(ies) could then determine whether to proceed with studies in parallel, to determine the impacts to its respective system(s).

Consistent with this ruling, the ISO has removed references to the performance of informational assessments by interconnecting PTOs from Sections 6.2 and 7.3 of the LGIP. For consistency, the ISO has also removed references to the performance of informational assessments from Section 5.0 of the Interconnection Feasibility Study Agreement and the Interconnection System Impact Study Agreement. The ISO also proposes to modify Section 3.5.4 of the LGIP to specify that where the ISO determines that an interconnection Request could potentially affect a third-party PTO(s)' service territory, or any other Affected System(s), the ISO shall, in accordance with LGIP Section 3.7, invite such third party(s) to the Scoping Meeting, in accordance with Section 3.7.

Cost Responsibility and Queue Position – In the July 1 Order, the Commission rejected the ISO's proposed modification to Section 4.1 to permit the ISO to consider factors other than queue position in determining cost responsibility of the Interconnection Customer for facilities necessary to accommodate the Interconnection Request. The Commission reasoned that the ISO's proposal lacked specificity as to what factors the ISO would consider, and the weight it would attach to those factors. However, the Commission granted the ISO leave to file this provision with "greater specificity regarding what factors it will consider and how these additional factors will impact its decisions regarding cost allocation." July 1 Order at P 35. The ISO has, consistent with this directive, removed the pertinent sentence from LGIP Section 4.1. The ISO continues to work with the PTOs to develop a new proposal and anticipates filing a modified version of LGIP Section 4.1 in connection with its filing of a long-term LGIP that incorporates the centralized study process. However, consistent with the interim nature of the current filing and the resulting maintenance of the respective responsibilities between the ISO and PTOs as set forth in the January 5 and February 18 filings, the ISO has altered LGIP Section 4.1 by referring to "queue position" generally, instead of the defined term "Queue Position." This alteration will ensure that in the interim period, cost responsibility will be determined in accordance with accepted cost causation principles that incorporate the potential system impacts of Generating Facilities interconnecting at the distribution level, rather than solely upon receipt of the Interconnection Request by the ISO.

Incorporation of Pre-Existing Interconnection Procedures – LGIP Section 5.1.1.2 provides that if an Interconnection Study agreement has been executed prior to the effective date of the LGIP, the Interconnection Study shall be completed in accordance with the terms of such agreement. However, for any remaining studies for which such Interconnection Customer has not signed an Interconnection Study prior to the effective date of the LGIP, the PTO must offer the Interconnection Customer the option of either continuing under the PTO's existing interconnection study process, or going forward with the completion of the Interconnection Studies under the LGIP. In order to make clear that the "existing interconnection study process" referred to in Section 5.1.1.2 consists of the study process as previously set forth under Section 5.7 of the ISO Tariff (the "pre-LGIP interconnection procedures"), the ISO is proposing to append these pre-LGIP interconnection procedures to the ISO Tariff as Appendix W,

and to add a reference to Appendix W to LGIP Section 5.1.1.2. In the proposed version of Appendix W attached hereto, the ISO has restored the provisions of ISO Tariff Section 5.7 deleted in the ISO's February 18 filing, has made minor modifications to adapt these provisions to the form of this new Appendix and its relationship to the new provisions of ISO Tariff Section 5.7.1 and LGIP Section 5.1.1.2, and has added the definitions deleted from the ISO Tariff in the ISO's February 18 filing as special definitions for the Appendix. Moreover, although Appendix W constitutes new provisions, given their deletion from the ISO Tariff in accordance with the February 18 filing and July 1 Order, for the convenience of Commission review, the blacklined sheets in Attachment H reflect only the modifications described above to adapt Appendix W to the new ISO Tariff Section 5.7.1 and the LGIP.

Accounting for Deposits by Successor PTO – In the July 1 Order, the Commission agreed with the ISO that LGIP Section 5.2 was ambiguous, but that Order 2003-B corrected that ambiguity by clarifying that it is the Interconnection Customer that should pay or be reimbursed the difference between the payment and actual cost incurred, not the retired or successor transmission provider.¹⁸ Accordingly, the July 1 Order directed the ISO to revise the LGIP to be consistent with the Order 2003-B clarification. The ISO has, however, modified the language of the Commission's *pro forma* LGIP to ensure that the intent of the clarification is met by clarifying that the Interconnection Customer receives all funds remaining after accounting for the actual costs incurred by the transmission providers in conducting the relevant studies.

Definition of "Force Majeure" – In the July 1 Order, the Commission directed the ISO to restore the definition of "Force Majeure" to the LGIP. The ISO has done so in the attached LGIP.

2. Changes to the LGIP Study Agreements

In addition to the revisions to Section 5.0 of the Interconnection Feasibility Study Agreement and the Interconnection System Impact Study Agreement to remove references to the performance of informational assessments, as discussed above, and the incorporation of the study agreements into the ISO Tariff as part of new ISO Tariff Appendix U, the ISO has also made some very minor revisions to the study agreements to improve their formatting and to correct spelling and grammar mistakes in the previously-filed versions. These revisions are shown in "blackline" in Attachment B.

3. Changes to ISO Tariff Definitions

In the July 1 Order, the Commission rejected the ISO's proposal to temporarily amend the definition of Large Generating Facility by removing the 20 MW size descriptor, pending issuance of the Commission's rule addressing Small Generating

¹⁸ July 1 Order at P 38.

Facilities. The Commission noted that this issue is moot, because the Commission has already issued its Order No. 2006 rule on Small Generator Interconnection.

In compliance with the July 1 Order, the ISO is proposing to amend the ISO Tariff definition of Large Generating Facility to re-include the 20 MW size descriptor, and to add to the ISO Tariff Master Definitions Supplement the definitions of Small Generating Facility and Generating Facility Capacity, as set forth in the Commission's *pro forma* LGIP, with one modification. The ISO proposes to delete from these definitions the reference to "net" capacity of a Generating Facility. The ISO believes that, for purposes of consistent determination of the applicable set of interconnection procedures, a Generating Facility's size should be evaluated based on its gross capacity, because a Generating Facility's ability to impact the grid is most fundamentally a product of its gross capacity, rather than its net capacity. As "net" capacity may be easily adjusted by varying facility on-site loads, there may be opportunity for an Interconnection Customer to take advantage of the "net" capacity value of the Generation Facility to avoid using the proper interconnection procedures. Additionally, the value for gross capacity will be based upon the name-plate or maximum capacity rating of the Generating Unit(s) being evaluated. This approach aligns with the Commission's determinations and conclusions for evaluating Small Generating Facilities in its final rule on Small Generator Interconnection, Order No. 2006 at PP 76 – 86.

4. Changes to ISO Tariff Section 5.7

The Commission directed the ISO, in the July 1 Order, to re-designate its current interconnection rules so as to apply to Generating Facilities less than or equal to 20 MW in size, and to file these tariff changes as part of its compliance filing. As noted above, the ISO is already filing its pre-LGIP interconnection procedures as Appendix W to the ISO Tariff, consistent with LGIP Section 5.1.1.2, which allows certain "grandfathered" Interconnection Customers the option of continuing the interconnection process under the pre-LGIP interconnection procedures. Therefore, in order to reflect the application of the pre-LGIP interconnection procedures to Small Generating Facilities, as required by the Commission, the ISO is proposing to add to Section 5.7.1 of the ISO Tariff a provision stating that Generating Units will be interconnected pursuant to the procedures set forth in the LGIP or Appendix W to the ISO Tariff, as applicable.


D. Revisions Made Pursuant to Order No. 2003-C

The only modification made to the Commission's pro forma LGIP in Order No. 2003-C consists of a clarification of a revision made by the Commission in Order No. 2003-B to the fifth sentence of LGIP Section 11.2. As explained in its February 18 LGIP filing, however, the ISO did not adopt the revision to the fifth sentence of Section 11.2 specified in Order No. 2003-B. Because the Commission accepted the ISO's proposal to not adopt this revision in the July 1 Order, the ISO submits that there is no need to make a conforming change based on the clarification set forth in Order No. 2003-C. Therefore, the ISO believes that its LGIP, as amended in compliance with the July 1 Order, is fully in compliance with Order No. 2003-C.


V. CONCLUSION

For the reasons set forth above, the ISO respectfully requests that the Commission accept its *pro forma* LGIP, LGIP study agreements, ISO Tariff Section 5.7, ISO Tariff Master Definitions Supplement provisions, and new ISO Tariff Appendix W, as revised in accordance with the Commission's July 1 Order and Order No. 2003-C.

Respectfully submitted,



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Dated: August 30, 2005

ATTACHMENT A

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

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

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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 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.

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

"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 the 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.

Pursuant to ISO Tariff Section 5.7.1, 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 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 the 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 the 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 Large Generating Facility 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. The ISO Controlled Grid may also be studied under non-peak load conditions. However, upon request by the Interconnection Customer, the Deliverability Assessment must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

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 [Section Intentionally Omitted] 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 these Network Upgrades is in excess of the benefits of these 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)(iii) 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 FERC Order No. 2003-B (109 FERC ¶ 61,287).

3.5 Valid Interconnection Request.

3.5.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, the 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 the 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. The 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 the 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 the 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 ISO shall determine whether the Interconnection Request is at or near the boundary of an affected Participating TO(s) service territory or of any other Affected System(s) so as to potentially affect such third parties. If such a determination is made, the ISO shall invite the affected Participating TO(s) and/or Affected System Operator(s), in accordance with Section 3.7, to the Scoping Meeting by informing such third parties of the time and place of the scheduled Scoping Meeting as soon as practicable.

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 the 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 the Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, the Interconnection Customer shall designate its Point of Interconnection, 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.

Except in the case of an Affiliate, 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 the 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 the 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, the Interconnection Customer may first request that the Participating TO and the ISO evaluate whether such modification is a Material Modification. In response to the 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 the 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 the Interconnection Customer's request. Any additional studies resulting from such modification shall be done at the 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 relative 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 pursuant to ISO Tariff Appendix W or going forward with the completion of the necessary Interconnection Studies (for which it does not have a signed Interconnection Studies agreement) in accordance with this LGIP.
- 5.1.1.3** If an 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 or application 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 or application, 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. Any difference between such net deposit amount and the costs that the successor Participating TO incurs to evaluate the request for interconnection shall be paid by or refunded to the Interconnection Customer, as appropriate. 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 commencement of 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. 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 to the Interconnection Customer 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 the Interconnection Customer, the applicable Participating TO, ISO, and the 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 providing 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. 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, incorporate comments, and issue a final study to the Interconnection Customer 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 the 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 the Interconnection Customer, the ISO, or the 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 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.

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 Request) 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 commencement of 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. 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 to the Interconnection Customer 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 the 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 providing 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. The Participating TO and the ISO shall share study results for review and comment and incorporate comments and issue a final study to the Interconnection Customer 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 the 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 the 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 the Interconnection Customer, the Participating TO, the ISO and the Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study. Within ten (10) Business Days of this meeting the Interconnection Customer shall make the election of which 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. 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. The Participating TO and ISO shall share study results for review and comment and incorporate comments and issue a final study to the Interconnection Customer 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 the Interconnection Customer is in Dispute Resolution as a result of an allegation that the 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 the 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, the 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 the 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 the Interconnection Customer, in which event the 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 higher Queue Positions 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.

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 a draft LGIA, together with draft appendices. The draft LGIA shall be in the form of the FERC-approved standard form LGIA. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices to the Participating TO and the ISO within (30) Calendar Days of receipt.

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 draft 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 and ISO 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, the 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 and ISO 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. The Participating TO and ISO shall share study results for review and comment, and incorporate comments and issue a final study to the Interconnection Customer 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 the Interconnection Customer, or to potential purchasers or assignees of the 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 the 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 the 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 the Interconnection Customer and the Participating TO or ISO to perform such Interconnection Study under the direction of the Participating

TO or ISO. At other times, the 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, the Interconnection Customer and the 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. The 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 practicable upon the 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's 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 the 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.

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 the 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.

The 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, including the county, of the proposed new Large Generating Facility site or, in the case of an existing Generating Facility, the name and specific location, including the county, of the existing Generating Facility;
 - 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: _____

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.

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	_____	_____	_____

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

ATTACHMENT B

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer") and _____ [insert name of the Participating TO or "the California Independent System Operator Corporation"] a _____ existing under the laws of the State of California, ("Participating TO" or "ISO"). The Interconnection Customer and the _____ ["Participating TO" or "ISO"] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Large Generating Facility with the ISO Controlled Grid; and

WHEREAS, the Interconnection Customer has requested the _____ ["Participating TO" or "ISO"] to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed Large Generating Facility.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the _____ ["Participating TO" or "ISO"] shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of the LGIP in accordance with the ISO Tariff.
- 3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection Feasibility Study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping

Meeting. The _____ ["Participating TO" or "ISO"] reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.5.4 of the LGIP. If, after the designation of the Point of Interconnection pursuant to Section 3.5.4 of the LGIP, the Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.

5.0 The Interconnection Feasibility Study report shall provide the following information:

- _____ preliminary identification of any circuit breaker short circuit capability limits exceeded on the Participating TO's electric system as a result of the interconnection;

- _____ preliminary identification of any thermal overload or voltage limit violations on the Participating TO's electric system resulting from the interconnection;

- _____ preliminary description and non-binding estimated cost of the Participating TO's facilities required to interconnect the Large Generating Facility to the Participating TO's electric system and to address the identified short circuit and power flow issues; and

- _____ expected results in the Interconnection System Impact Study; and

~~_____ An informational assessment, as needed, of other Participating TOs' portions of the ISO Controlled Grid, and may include:~~

~~_____ change in short circuit duty at the boundary buses to other Participating TOs.~~

~~_____ thermal overloads and voltage limit violations of a limited set of contingencies as provided by the ISO or the other Participating TO.~~

6.0 In addition to the deposit(s) paid by the Interconnection Customer pursuant to Section 3.5.1 of the LGIP, the Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Interconnection Feasibility Study.

Following the issuance of the Interconnection Feasibility Study to the Interconnection Customer the _____ ["Participating TO" or "ISO"] shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study, inclusive of any re-studies and amendments to the Interconnection Feasibility Study, pursuant to Section 9 of this Agreement.

Any difference between the deposits made toward the Interconnection Feasibility Study, amendments and re-studies to the Interconnection Feasibility Study, and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate in accordance with Section 13.3 of the LGIP.

- 7.0 Pursuant to Section 3.7 of the LGIP, the ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems. The _____ ["Participating TO" or "ISO"] may provide a copy of the Interconnection Feasibility Study results to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection, and a revision of the Interconnection Feasibility Study or re-study may be required in such event.
- 8.0 Substantial portions of technical data and assumptions used to perform the Interconnection Feasibility Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ ["Participating TO" or "ISO"] provides the Interconnection Feasibility Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ ["Participating TO" or "ISO"] provides the Interconnection Feasibility Study to the Interconnection Customer. The _____ ["Participating TO" or "ISO"] shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.
- 9.0 In the event that a re-study or amendment of the Interconnection Feasibility Study is required, the _____ ["Interconnecting Participating TO" or "ISO"] shall provide notification of the need for such re-study or amendment, and the Interconnection Customer shall provide direction as to whether to proceed with the re-study or amendment and any associated deposit payment pursuant to Section 6.4 or Section 12.2.4 of the LGIP, as applicable.

- 10.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Interconnection Feasibility Study, inclusive of any re-studies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time following receipt of the final cost report associated with this Interconnection Feasibility Study at the Participating TO's offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Interconnection Feasibility Study, inclusive of any re-study or amendment thereto.
- 11.0 In accordance with Section 3.8 of the LGIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the ISO. Upon receipt of such notice, this Agreement shall terminate.
- 12.0 Pursuant to Section 6.1 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ ["Participating TO" or "ISO"]. If the _____ ["Participating TO" or "ISO"] does not receive the fully executed Agreement and payment pursuant to Section 6.1 of the LGIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the ISO pursuant to Section 3.8 of the LGIP.
- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Interconnection Feasibility Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 13.3 Binding Effect. This Interconnection Feasibility Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Interconnection Feasibility Study Agreement and any attachment,

appendices or exhibits hereto, the terms and provisions of the body of this Interconnection Feasibility Study Agreement shall prevail and be deemed the final intent of the Parties.

- 13.5 Rules of Interpretation. This Interconnection Feasibility Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection Feasibility Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Section, or other provision hereof or thereof); (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection Feasibility Study Agreement or such Appendix to this Interconnection Feasibility Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interconnection Feasibility Study Agreement as a whole and not to any particular Article;ⁱ (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.6 Entire Agreement. This Interconnection Feasibility Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection Feasibility Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Interconnection Feasibility Study Agreement.
- 13.7 No Third Party Beneficiaries. This Interconnection Feasibility Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the

obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

- 13.8 **Waiver.** The failure of a Party to this Interconnection Feasibility Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Feasibility Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Interconnection Feasibility Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection Feasibility Study Agreement. Termination or default of this Interconnection Feasibility Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO. Any waiver of this Interconnection Feasibility Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Interconnection Feasibility Study Agreement, or with respect to any other matter arising in connection with this Interconnection Feasibility Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Interconnection Feasibility Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Interconnection Feasibility Study Agreement shall not constitute or be deemed a waiver of such right.

- 13.9 **Headings.** The descriptive headings of the various Articles and Sections of this Interconnection Feasibility Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection Feasibility Study Agreement.
- 13.10 **Multiple Counterparts.** This Interconnection Feasibility Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 **Amendment.** The Parties may by mutual agreement amend this Interconnection Feasibility Study Agreement by a written instrument duly executed by both of the Parties.
- 13.12 **Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Interconnection Feasibility Study Agreement by a

written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection Feasibility Study Agreement upon satisfaction of all applicable laws and regulations.

- 13.13 Reservation of Rights. The _____ ["Participating TO" or "ISO"] shall ~~each~~ have the right to make a unilateral filing with FERC to modify this Interconnection Feasibility Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection Feasibility Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection Feasibility Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 13.14 No Partnership. This Interconnection Feasibility Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Interconnection Feasibility Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection Feasibility Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Feasibility Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection Feasibility Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to

said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Interconnection Feasibility Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or “California Independent System Operator Corporation”]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

**Attachment A to
Interconnection Feasibility
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION FEASIBILITY STUDY**

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by the Interconnection Customer and other assumptions to be provided by the Interconnection Customer and the ["Participating TO" or "ISO"]

INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ [insert name of the Participating TO or "the California Independent System Operator Corporation"] a _____ existing under the laws of the State of California , ("Participating TO" or "ISO"). The Interconnection Customer and the _____ ["Participating TO" or "ISO"] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Large Generating Facility with the ISO Controlled Grid; and

WHEREAS, the _____ ["Participating TO" or "ISO"] has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to the Interconnection Customer¹; and

WHEREAS, the Interconnection Customer has requested the _____ ["Participating TO" or "ISO"] to perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.

¹ This recital to be omitted if the Interconnection Customer has elected to forego the Interconnection Feasibility Study.

- 2.0 The Interconnection Customer elects and the _____ ["Participating TO" or "ISO"] shall cause to be performed an Interconnection System Impact Study consistent with Section 7 of the LGIP in accordance with the ISO Tariff.
- 3.0 The scope of the Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information provided by the Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. The _____ ["Participating TO" or "ISO"] reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection System Impact Study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.
- 5.0 The Interconnection System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded on the Participating TO's electric system as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations on the Participating TO's electric system resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances on the Participating TO's electric system resulting from the interconnection;
- ~~— an informational assessment, as needed, of other Participating TOs' portions of the ISO Controlled Grid, which may include:~~
- ~~- change in short circuit duty at the boundary buses to other Participating TOs.~~
 - ~~— Thermal overloads and voltage limit violations of a limited set of contingencies as provided by the ISO or the other Participating TO.~~

- a description and non-binding, good faith estimated cost of facilities on the Participating TO's electric system required to interconnect the Large Generating Facility to the Participating TO's portion of the ISO Controlled Grid and to address the identified short circuit, instability, and power flow issues on the Participating TO's portion of the ISO Controlled Grid; and
- if the Participating TO is an interconnecting Participating TO for the Large Generating Facility, a Deliverability Assessment on the ISO Controlled Grid pursuant to Section 3.3 of the LGIP.

6.0 The Interconnection Customer shall provide a deposit of \$50,000 for the performance of the Interconnection System Impact Study. The _____ ["Participating TO" or "ISO"]'s good faith estimate for the time of completion of the Interconnection System Impact Study is _____ [insert date].

Following the issuance of the Interconnection System Impact Study, the _____ ["Participating TO" or "ISO"] shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study, inclusive of any re-studies and amendments to the Interconnection System Impact Study, pursuant to Section 9 of this Agreement.

Any difference between the deposit made toward the Interconnection System Impact Study, amendments and re-studies to the Interconnection System Impact Study, and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate in accordance with Section 13.3 of the LGIP.

7.0 Pursuant to Section 3.7 of the LGIP, the ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems. The _____ ["Participating TO" or "ISO"] may provide a copy of the Interconnection System Impact Study results to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection, and a revision of the Interconnection System Impact Study or re-study may be required in such event.

8.0 Substantial portions of technical data and assumptions used to perform the Interconnection System Impact Study, such as system conditions, existing and planned generation, and unit modeling, may change after the

_____ ["Participating TO" or "ISO"] provides the Interconnection System Impact Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ ["Participating TO" or "ISO"] provides the Interconnection System Impact Study to the Interconnection Customer. The _____ ["Participating TO" or "ISO"] shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

- 9.0 In the event that a re-study or amendment of the Interconnection System Impact Study is required, the _____ ["Participating TO" or "ISO"] shall provide notification of the need for such re-study or amendment, and the Interconnection Customer shall provide direction as to whether to proceed with the re-study or amendment and any associated deposit payment pursuant to Section 7.6 or Section 12.2.4 of the LGIP, as applicable.
- 10.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Interconnection System Impact Study, inclusive of any re-studies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Participating TO's offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Interconnection System Impact Study, inclusive of any re-study or amendment thereto.
- 11.0 In accordance with Section 3.8 of the LGIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the ISO. Upon receipt of such notice, this Agreement shall terminate.
- 12.0 Pursuant to Section 7.2 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ ["Participating TO" or "ISO"]. If the _____ ["Participating TO" or "ISO"] does not receive the

fully executed Agreement and payment pursuant to Section 7.2 of the LGIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the ISO pursuant to Section 3.8 of the LGIP.

- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Interconnection System Impact Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP.
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 13.3 Binding Effect. This Interconnection System Impact Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Interconnection System Impact Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interconnection System Impact Study Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Interconnection System Impact Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection System Impact Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection System Impact Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection System Impact Study Agreement or such Appendix to this Interconnection System Impact Study Agreement, or such Section to the LGIP or such Appendix to the

LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interconnection System Impact Study Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

- 13.6 Entire Agreement. This Interconnection System Impact Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection System Impact Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Interconnection System Impact Study Agreement.
- 13.7 No Third Party Beneficiaries. This Interconnection System Impact Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 13.8 Waiver. The failure of a Party to this Interconnection System Impact Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection System Impact Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Interconnection System Impact Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection System Impact Study Agreement. Termination or default of this Interconnection System Impact Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO. Any waiver of this Interconnection System Impact Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Interconnection System Impact Study Agreement, or with respect to any other matter arising in connection with this Interconnection System Impact Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Interconnection System Impact Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Interconnection System Impact Study Agreement shall not constitute or be deemed a waiver of such right.

- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Interconnection System Impact Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection System Impact Study Agreement.
- 13.10 Multiple Counterparts. This Interconnection System Impact Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection System Impact Study Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The _____ ["Participating TO" or "ISO"] shall ~~each~~ have the right to make a unilateral filing with FERC to modify this Interconnection System Impact Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection System Impact Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in

which such modifications may be considered. Nothing in this Interconnection System Impact Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

- 13.14 No Partnership. This Interconnection System Impact Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Interconnection System Impact Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection System Impact Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection System Impact Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection System Impact Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Interconnection System Impact Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or “California Independent System Operator Corporation”]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

Attachment A

Interconnection System Impact Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE INTERCONNECTION SYSTEM IMPACT STUDY

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by the Interconnection Customer and other assumptions to be provided by the Interconnection Customer and the ["Participating TO" or "ISO"]

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and **insert name of the Participating TO or "the California Independent System Operator Corporation"**, a _____ existing under the laws of the State of California , ("**Participating TO**" or "**ISO**"). The Interconnection Customer and the _____ [**"Participating TO**" or "**ISO**"] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Large Generating Facility with the ISO Controlled Grid;

WHEREAS, the _____ [**"Participating TO**" or "**ISO**"] has completed an Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the _____ [**"Participating TO**" or "**ISO**"] to perform an Interconnection Facilities Study to 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 Large Generating Facility to the ISO Controlled Grid.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.

- 2.0 The Interconnection Customer elects and the _____ **["Participating TO" or "ISO"]** shall cause an Interconnection Facilities Study consistent with Section 8 of the LGIP to be performed in accordance with the ISO Tariff.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), and schedule for required facilities within the Participating TO's electric system to interconnect the Large Generating Facility to the ISO Controlled Grid and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Impact Study.
- 5.0 The Interconnection Customer shall provide a deposit of the greater of \$100,000 or the Interconnection Customer's portion of the estimated monthly cost for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

For studies where the estimated cost exceed \$100,000, the _____ **["Participating TO" or "ISO"]** may invoice 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" or "ISO"]** shall continue to hold the amounts on deposit until settlement of the final invoice.

Following the issuance of the Interconnection Facilities Study, the _____ **["Participating TO" or "ISO"]** shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study, inclusive of any re-studies and amendments to the Interconnection Facilities Study, pursuant to Section 9 of this Agreement.

Any difference between the deposit made toward the Interconnection Facilities Study and the actual cost of the study, inclusive of any re-studies and amendments thereto, shall be paid by or refunded to the Interconnection Customer, as appropriate in accordance with Section 13.3 of the LGIP.

6.0 The Interconnection Facilities Study will be based upon the results of the Interconnection System Impact Study and the technical information provided by the Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. The _____ **["Participating TO" or "ISO"]** reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Facilities Study.

If the Interconnection Customer modifies its Interconnection Request or the technical information provided therein is modified, the time to complete the Interconnection Facilities Study may be extended.

7.0 _____ Pursuant to Section 3.7 of the LGIP, the ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems. The _____ **["Participating TO" or "ISO"]** may provide a copy of the Interconnection Facilities Study results to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection, and a revision of the Interconnection Facilities Study or re-study may be required in such event.

8.0 Substantial portions of technical data and assumptions used to perform the Interconnection Facilities Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ **["Participating TO" or "ISO"]** provides the Interconnection Facilities Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ **["Participating TO" or "ISO"]** provides the Interconnection Facilities Study to the Interconnection Customer. The _____ **["Participating TO" or "ISO"]** shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

9.0 In the event that a re-study or amendment of the Interconnection Facilities Study is required, the _____ **["Participating TO" or "ISO"]** shall provide notification of the need for such re-study or amendment, and the Interconnection Customer shall provide direction as to whether to proceed with the re-study or amendment and any associated deposit

payment pursuant to Section 8.5 or Section 12.2.4 of the LGIP, as applicable.

- 10.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Interconnection Facilities Study, inclusive of any re-studies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overhead. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Participating TO offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Interconnection Facilities Study, inclusive of any re-study or amendment thereto.
- 11.0 In accordance with Section 3.8 of the LGIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the ISO. Upon receipt of such notice, this Agreement shall terminate.
- 12.0 Pursuant to Section 8.1 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ **["Participating TO" or "ISO"]**. If the _____ **["Participating TO" or "ISO"]** does not receive the fully executed Agreement and payment pursuant to Section 8.1 of the LGIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the ISO pursuant to Section 3.8 of the LGIP.
- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Interconnection Facilities Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP.
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 13.3 Binding Effect. This Interconnection Facilities Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

- 13.4 **Conflicts.** In the event of a conflict between the body of this Interconnection Facilities Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interconnection Facilities Study Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 **Rules of Interpretation.** This Interconnection Facilities Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection Facilities Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection Facilities Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection Facilities Study Agreement or such Appendix to this Interconnection Facilities Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interconnection Facilities Study Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.6 **Entire Agreement.** This Interconnection Facilities Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection Facilities Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's

compliance with its obligations under this Interconnection Facilities Study Agreement.

13.7 **No Third Party Beneficiaries.** This Interconnection Facilities Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

13.8 **Waiver.** The failure of a Party to this Interconnection Facilities Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Facilities Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Interconnection Facilities Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection Facilities Study Agreement. Termination or default of this Interconnection Facilities Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO. Any waiver of this Interconnection Facilities Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Interconnection Facilities Study Agreement, or with respect to any other matter arising in connection with this Interconnection Facilities Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Interconnection Facilities Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Interconnection Facilities Study Agreement shall not constitute or be deemed a waiver of such right.

13.9 **Headings.** The descriptive headings of the various Articles and Sections of this Interconnection Facilities Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection Facilities Study Agreement.

- 13.10 Multiple Counterparts. This Interconnection Facilities Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Interconnection Facilities Study Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection Facilities Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection Facilities Study Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The _____ **["Participating TO" or "ISO"]** shall ~~each~~ have the right to make a unilateral filing with FERC to modify this Interconnection Facilities Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection Facilities Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection Facilities Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 13.14 No Partnership. This Interconnection Facilities Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Interconnection Facilities Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection Facilities Study Agreement without the consent of the other Party to any Affiliate of the

assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Facilities Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection Facilities Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Interconnection Facilities Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or “California Independent System Operator Corporation”]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

Attachment A

Interconnection Facilities Study Agreement

INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

The _____ [**“Participating TO” 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 of receipt of an executed copy of this 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 with no more than a +/- 10 percent cost estimate contained in the report.

Attachment B

**Interconnection Facilities
Study Agreement**

**DATA FORM TO BE PROVIDED BY THE INTERCONNECTION CUSTOMER
WITH THE INTERCONNECTION FACILITIES STUDY AGREEMENT**

Provide two copies of this completed form and other required plans and diagrams in accordance with Section 8.1 of the LGIP.

Provide location plan and one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

One set of metering is required for each generation connection to the new bus or existing Transmission Provider station. Number of generation connections: _____

On the one line indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one line indicate the location of auxiliary power. (Minimum load on CT/PT)

Will an alternate source of auxiliary power be available during CT/PT maintenance?
____ Yes ____ No

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? ____ Yes ____ No
(Please indicate on one line).

What type of control system or PLC will be located at the Interconnection Customer's Large Generating Facility?

What protocol does the control system or PLC use?

Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to the Participating TO's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with the Participating TO or ISO.

Is the Large Generating Facility in the Participating TO's service area?

Yes No Local provider:

OPTIONAL INTERCONNECTION STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ [**insert name of the Participating TO or "the California Independent System Operator Corporation"**] a _____ existing under the laws of the State of California, ("**Participating TO**" or "**ISO**"). The Interconnection Customer and the _____ [**"Participating TO" or "ISO"**] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____;

WHEREAS, the Interconnection Customer is proposing to establish an interconnection with the ISO Controlled Grid; and

WHEREAS, the Interconnection Customer has submitted to the ISO an Interconnection Request; and

WHEREAS, on or after the date when the Interconnection Customer receives the Interconnection System Impact Study results, the Interconnection Customer has further requested that _____ [**"Participating TO" or "ISO"**] prepare an Optional Interconnection Study;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the _____ [**"Participating TO" or "ISO"**] shall cause an Optional Interconnection Study consistent with Section 10 of the LGIP to be performed in accordance with the ISO Tariff.

- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Optional Interconnection Study shall be performed solely for informational purposes.
- 5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by the Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will 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 assumptions specified by the Interconnection Customer in Attachment A.
- 6.0 The Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Optional Interconnection Study. The _____ **["Participating TO" or "ISO"]**'s good faith estimate for the time of completion of the Optional Interconnection Study is _____ [insert date].

Following the issuance of the Optional Interconnection Study, the _____ **["Participating TO" or "ISO"]** shall charge and the Interconnection Customer shall pay the actual costs of the Optional Interconnection Study.

Any difference between the initial payment and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate.

- 7.0 Substantial portions of technical data and assumptions used to perform the Optional Interconnection Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ **["Participating TO" or "ISO"]** provides the Optional Interconnection Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ **["Participating TO" or "ISO"]** provides the Optional Interconnection Study to the Interconnection Customer. The _____ **["Participating TO" or "ISO"]** shall not be responsible for any additional costs, including without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

- 8.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Optional Interconnection Study in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Participating TO offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Optional Interconnection Study.
- 9.0 Pursuant to Section 10.1 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ **["Participating TO" or "ISO"]**. If the _____ **["Participating TO" or "ISO"]** does not receive the fully executed Agreement and payment pursuant to Section 10.1 of the LGIP, then the offer reflected in this Agreement will expire and this Agreement will be of no effect.
- 10.0 Miscellaneous.
- 10.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Optional Interconnection Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP
- 10.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 10.3 Binding Effect. This Optional Interconnection Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 10.4 Conflicts. In the event of a conflict between the body of this Optional Interconnection Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Optional Interconnection Study Agreement shall prevail and be deemed the final intent of the Parties.

- 10.5 Rules of Interpretation. This Optional Interconnection Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Optional Interconnection Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Optional Interconnection Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Optional Interconnection Study Agreement or such Appendix to this Optional Interconnection Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Optional Interconnection Study Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 10.6 Entire Agreement. This Optional Interconnection Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Optional Interconnection Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Optional Interconnection Study Agreement.
- 10.7 No Third Party Beneficiaries. This Optional Interconnection Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the

obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

- 10.8 **Waiver.** The failure of a Party to this Optional Interconnection Study Agreement to insist, on any occasion, upon strict performance of any provision of this Optional Interconnection Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Optional Interconnection Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Optional Interconnection Study Agreement. Termination or default of this Optional Interconnection Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the other Party. Any waiver of this Optional Interconnection Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Optional Interconnection Study Agreement, or with respect to any other matter arising in connection with this Optional Interconnection Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Optional Interconnection Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Optional Interconnection Study Agreement shall not constitute or be deemed a waiver of such right.

- 10.9 **Headings.** The descriptive headings of the various Articles and Sections of this Optional Interconnection Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Optional Interconnection Study Agreement.
- 10.10 **Multiple Counterparts.** This Optional Interconnection Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 10.11 **Amendment.** The Parties may by mutual agreement amend this Optional Interconnection Study Agreement by a written instrument duly executed by both of the Parties.

- 10.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Optional Interconnection Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Optional Interconnection Study Agreement upon satisfaction of all applicable laws and regulations.
- 10.13 Reservation of Rights. The _____ [**“Participating TO” or “ISO”**] shall each have the right to make a unilateral filing with FERC to modify this Optional Interconnection Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC’s rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Optional Interconnection Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC’s rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Optional Interconnection Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC’s rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 10.14 No Partnership. This Optional Interconnection Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 10.15 Assignment. This Optional Interconnection Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Optional Interconnection Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Optional Interconnection Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Optional Interconnection Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other

Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Optional Interconnection Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or "California Independent System Operator Corporation"]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

**Attachment A
Optional Interconnection
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING
THE OPTIONAL INTERCONNECTION STUDY**

[To be completed by the Interconnection Customer consistent with Section 10
of the LGIP.]

ATTACHMENT C

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

Original Sheet No. 1111

ISO TARIFF APPENDIX U
STANDARD LARGE GENERATOR
INTERCONNECTION PROCEDURES (LGIP)

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: August 30, 2005

Effective: July 1, 2005

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

Original Sheet No. 1112

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

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: August 30, 2005

Effective: July 1, 2005

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

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 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 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.

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

"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 the 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.

Pursuant to ISO Tariff Section 5.7.1, 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 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 the 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 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 the 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 Large Generating Facility 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. The ISO Controlled Grid may also be studied under non-peak load conditions. However, upon request by the Interconnection Customer, the Deliverability Assessment must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.4 Network Upgrades.

3.4.1 Initial Funding

Unless the Participating TO elects to fund the capital for Reliability and Delivery Network Upgrades, they shall be solely funded by the Interconnection Customer.

3.4.2 [Section Intentionally Omitted]

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. 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)(iii) 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.

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 FERC Order No. 2003-B (109 FERC ¶ 61,287).

3.5 Valid Interconnection Request.

3.5.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, the 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 the 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. The 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 the 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 the 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 ISO shall determine whether the Interconnection Request is at or near the boundary of an affected Participating TO(s) service territory or of any other Affected System(s) so as to potentially affect such third parties. If such a determination is made, the ISO shall invite the affected Participating TO(s) and/or Affected System Operator(s), in accordance with Section 3.7, to the Scoping Meeting by informing such third parties of the time and place of the scheduled Scoping Meeting as soon as practicable.

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 the 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 the Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, the Interconnection Customer shall designate its Point of Interconnection, 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.

Except in the case of an Affiliate, 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 the 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. 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 the 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, the Interconnection Customer may first request that the Participating TO and the ISO evaluate whether such modification is a Material Modification. In response to the 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 the 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 the Interconnection Customer's request. Any additional studies resulting from such modification shall be done at the 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 relative 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 pursuant to ISO Tariff Appendix W or going forward with the completion of the necessary

Interconnection Studies (for which it does not have a signed Interconnection Studies agreement) in accordance with this LGIP.

- 5.1.1.3** If an 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 or application 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 or application, 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. Any difference between such net deposit amount and the costs that the successor Participating TO incurs to evaluate the request for interconnection shall be paid by or refunded to the Interconnection Customer, as appropriate. 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.

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. 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 commencement of 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. 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 to the Interconnection Customer 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 the Interconnection Customer, the applicable Participating TO, ISO, and the 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 providing 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. 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, incorporate comments, and issue a final study to the Interconnection Customer 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 the 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 the Interconnection Customer, the ISO, or the 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 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.

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. 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 Request) 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. 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 commencement of 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. 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 to the Interconnection Customer 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 the 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 providing 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. The Participating TO and the ISO shall share study results for review and comment and incorporate comments and issue a final study to the Interconnection Customer 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.

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 the 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 the 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 the Interconnection Customer, the Participating TO, the ISO and the Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study. Within ten (10) Business Days of this meeting the Interconnection Customer shall make the election of which 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. 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. The Participating TO and ISO shall share study results for review and comment and incorporate comments and issue a final study to the Interconnection Customer 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 the Interconnection Customer is in Dispute Resolution as a result of an allegation that the 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 the 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, the 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 the 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 the Interconnection Customer, in which event the 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 higher Queue Positions 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.

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 a draft LGIA, together with draft appendices. The draft LGIA shall be in the form of the FERC-approved standard form LGIA. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices to the Participating TO and the ISO within (30) Calendar Days of receipt.

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 draft 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 and ISO 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, the 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 and ISO 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. 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.

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. The Participating TO and ISO shall share study results for review and comment, and incorporate comments and issue a final study to the Interconnection Customer 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 the Interconnection Customer, or to potential purchasers or assignees of the 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 the 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 the 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 the Interconnection Customer and the Participating TO or ISO to perform such Interconnection Study under the direction of the Participating TO or ISO. At other times, the 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, the Interconnection Customer and the 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. The 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 the 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's 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 the 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.

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 the 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.

The 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, including the county, of the proposed new Large Generating Facility site or, in the case of an existing Generating Facility, the name and specific location, including the county, of the existing Generating Facility;
 - 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: _____

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

Original Sheet No. 1158

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.

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	_____	_____	_____

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

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer") and _____ [insert name of the Participating TO or "the California Independent System Operator Corporation"] a _____ existing under the laws of the State of California, ("Participating TO" or "ISO"). The Interconnection Customer and the _____ ["Participating TO" or "ISO"] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Large Generating Facility with the ISO Controlled Grid; and

WHEREAS, the Interconnection Customer has requested the _____ ["Participating TO" or "ISO"] to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed Large Generating Facility.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the _____ ["Participating TO" or "ISO"] shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of the LGIP in accordance with the ISO Tariff.
- 3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection Feasibility Study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. The _____ ["Participating TO" or "ISO"] reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.5.4 of the LGIP. If, after the designation of the Point of Interconnection pursuant to Section 3.5.4 of the LGIP, the Interconnection

Customer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.

5.0 The Interconnection Feasibility Study report shall provide the following information:

- preliminary identification of any circuit breaker short circuit capability limits exceeded on the Participating TO's electric system as a result of the interconnection;
- preliminary identification of any thermal overload or voltage limit violations on the Participating TO's electric system resulting from the interconnection;
- preliminary description and non-binding estimated cost of the Participating TO's facilities required to interconnect the Large Generating Facility to the Participating TO's electric system and to address the identified short circuit and power flow issues; and
- expected results in the Interconnection System Impact Study.

6.0 In addition to the deposit(s) paid by the Interconnection Customer pursuant to Section 3.5.1 of the LGIP, the Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Interconnection Feasibility Study.

Following the issuance of the Interconnection Feasibility Study to the Interconnection Customer the _____ ["Participating TO" or "ISO"] shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study, inclusive of any re-studies and amendments to the Interconnection Feasibility Study, pursuant to Section 9 of this Agreement.

Any difference between the deposits made toward the Interconnection Feasibility Study, amendments and re-studies to the Interconnection Feasibility Study, and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate in accordance with Section 13.3 of the LGIP.

7.0 Pursuant to Section 3.7 of the LGIP, the ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems. The _____ ["Participating TO" or "ISO"] may provide a copy of the Interconnection Feasibility Study results to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection, and a revision of the Interconnection Feasibility Study or re-study may be required in such event.

8.0 Substantial portions of technical data and assumptions used to perform the Interconnection Feasibility Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ ["Participating TO" or "ISO"] provides the Interconnection Feasibility Study results to the Interconnection Customer.

Study results will reflect available data at the time the _____ ["Participating TO" or "ISO"] provides the Interconnection Feasibility Study to the Interconnection Customer. The _____ ["Participating TO" or "ISO"] shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

- 9.0 In the event that a re-study or amendment of the Interconnection Feasibility Study is required, the _____ ["Interconnecting Participating TO" or "ISO"] shall provide notification of the need for such re-study or amendment, and the Interconnection Customer shall provide direction as to whether to proceed with the re-study or amendment and any associated deposit payment pursuant to Section 6.4 or Section 12.2.4 of the LGIP, as applicable.
- 10.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Interconnection Feasibility Study, inclusive of any re-studies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time following receipt of the final cost report associated with this Interconnection Feasibility Study at the Participating TO's offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Interconnection Feasibility Study, inclusive of any re-study or amendment thereto.
- 11.0 In accordance with Section 3.8 of the LGIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the ISO. Upon receipt of such notice, this Agreement shall terminate.
- 12.0 Pursuant to Section 6.1 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ ["Participating TO" or "ISO"]. If the _____ ["Participating TO" or "ISO"] does not receive the fully executed Agreement and payment pursuant to Section 6.1 of the LGIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the ISO pursuant to Section 3.8 of the LGIP.
- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Interconnection Feasibility Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.

- 13.3 Binding Effect. This Interconnection Feasibility Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Interconnection Feasibility Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interconnection Feasibility Study Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Interconnection Feasibility Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection Feasibility Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Section, or other provision hereof or thereof); (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection Feasibility Study Agreement or such Appendix to this Interconnection Feasibility Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interconnection Feasibility Study Agreement as a whole and not to any particular Article; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.6 Entire Agreement. This Interconnection Feasibility Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection Feasibility Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Interconnection Feasibility Study Agreement.
- 13.7 No Third Party Beneficiaries. This Interconnection Feasibility Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 13.8 Waiver. The failure of a Party to this Interconnection Feasibility Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Feasibility Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Interconnection Feasibility Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection Feasibility Study Agreement. Termination or default of this Interconnection Feasibility Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO. Any waiver of this Interconnection Feasibility Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Interconnection Feasibility Study Agreement, or with respect to any other matter arising in connection with this Interconnection Feasibility Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Interconnection Feasibility Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Interconnection Feasibility Study Agreement shall not constitute or be deemed a waiver of such right.

- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Interconnection Feasibility Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection Feasibility Study Agreement.
- 13.10 Multiple Counterparts. This Interconnection Feasibility Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Interconnection Feasibility Study Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection Feasibility Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection Feasibility Study Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The _____ ["Participating TO" or "ISO"] shall have the right to make a unilateral filing with FERC to modify this Interconnection Feasibility Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection Feasibility Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection Feasibility Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the

Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

- 13.14 No Partnership. This Interconnection Feasibility Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Interconnection Feasibility Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection Feasibility Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Feasibility Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection Feasibility Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Interconnection Feasibility Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or "California Independent System Operator Corporation"]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

**Attachment A to
Interconnection Feasibility
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION FEASIBILITY STUDY**

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by the Interconnection Customer and other assumptions to be provided by the Interconnection Customer and the ["Participating TO" or "ISO"]

INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between ___, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ [insert name of the Participating TO or "the California Independent System Operator Corporation"] a _____ existing under the laws of the State of California, ("Participating TO" or "ISO"). The Interconnection Customer and the _____ ["Participating TO" or "ISO"] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Large Generating Facility with the ISO Controlled Grid; and

WHEREAS, the _____ ["Participating TO" or "ISO"] has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to the Interconnection Customer¹; and

WHEREAS, the Interconnection Customer has requested the _____ ["Participating TO" or "ISO"] to perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the _____ ["Participating TO" or "ISO"] shall cause to be performed an Interconnection System Impact Study consistent with Section 7 of the LGIP in accordance with the ISO Tariff.
- 3.0 The scope of the Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information provided by the

¹ This recital to be omitted if the Interconnection Customer has elected to forego the Interconnection Feasibility Study.

Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. The _____ ["Participating TO" or "ISO"] reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection System Impact Study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

- 5.0 The Interconnection System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded on the Participating TO's electric system as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations on the Participating TO's electric system resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances on the Participating TO's electric system resulting from the interconnection;
 - a description and non-binding, good faith estimated cost of facilities on the Participating TO's electric system required to interconnect the Large Generating Facility to the Participating TO's portion of the ISO Controlled Grid and to address the identified short circuit, instability, and power flow issues on the Participating TO's portion of the ISO Controlled Grid; and
 - if the Participating TO is an interconnecting Participating TO for the Large Generating Facility, a Deliverability Assessment on the ISO Controlled Grid pursuant to Section 3.3 of the LGIP.
- 6.0 The Interconnection Customer shall provide a deposit of \$50,000 for the performance of the Interconnection System Impact Study. The _____ ["Participating TO" or "ISO"]'s good faith estimate for the time of completion of the Interconnection System Impact Study is _____[insert date].

Following the issuance of the Interconnection System Impact Study, the _____ ["Participating TO" or "ISO"] shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study, inclusive of any re-studies and amendments to the Interconnection System Impact Study, pursuant to Section 9 of this Agreement.

Any difference between the deposit made toward the Interconnection System Impact Study, amendments and re-studies to the Interconnection System Impact Study, and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate in accordance with Section 13.3 of the LGIP.

- 7.0 Pursuant to Section 3.7 of the LGIP, the ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems.

- The _____ ["Participating TO" or "ISO"] may provide a copy of the Interconnection System Impact Study results to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection, and a revision of the Interconnection System Impact Study or re-study may be required in such event.
- 8.0 Substantial portions of technical data and assumptions used to perform the Interconnection System Impact Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ ["Participating TO" or "ISO"] provides the Interconnection System Impact Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ ["Participating TO" or "ISO"] provides the Interconnection System Impact Study to the Interconnection Customer. The _____ ["Participating TO" or "ISO"] shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.
- 9.0 In the event that a re-study or amendment of the Interconnection System Impact Study is required, the _____ ["Participating TO" or "ISO"] shall provide notification of the need for such re-study or amendment, and the Interconnection Customer shall provide direction as to whether to proceed with the re-study or amendment and any associated deposit payment pursuant to Section 7.6 or Section 12.2.4 of the LGIP, as applicable.
- 10.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Interconnection System Impact Study, inclusive of any re-studies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Participating TO's offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Interconnection System Impact Study, inclusive of any re-study or amendment thereto.
- 11.0 In accordance with Section 3.8 of the LGIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the ISO. Upon receipt of such notice, this Agreement shall terminate.
- 12.0 Pursuant to Section 7.2 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ ["Participating TO" or "ISO"]. If the _____ ["Participating TO" or "ISO"] does not receive the fully executed Agreement and payment pursuant to Section 7.2 of the LGIP, then the Interconnection

Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the ISO pursuant to Section 3.8 of the LGIP.

- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Interconnection System Impact Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP.
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 13.3 Binding Effect. This Interconnection System Impact Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Interconnection System Impact Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interconnection System Impact Study Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Interconnection System Impact Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection System Impact Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection System Impact Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection System Impact Study Agreement or such Appendix to this Interconnection System Impact Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interconnection System Impact Study Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.6 Entire Agreement. This Interconnection System Impact Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and

contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection System Impact Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Interconnection System Impact Study Agreement.

- 13.7 No Third Party Beneficiaries. This Interconnection System Impact Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 13.8 Waiver. The failure of a Party to this Interconnection System Impact Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection System Impact Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Interconnection System Impact Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection System Impact Study Agreement. Termination or default of this Interconnection System Impact Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO. Any waiver of this Interconnection System Impact Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Interconnection System Impact Study Agreement, or with respect to any other matter arising in connection with this Interconnection System Impact Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Interconnection System Impact Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Interconnection System Impact Study Agreement shall not constitute or be deemed a waiver of such right.

- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Interconnection System Impact Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection System Impact Study Agreement.
- 13.10 Multiple Counterparts. This Interconnection System Impact Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties.

- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection System Impact Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection System Impact Study Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The _____ ["Participating TO" or "ISO"] shall have the right to make a unilateral filing with FERC to modify this Interconnection System Impact Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection System Impact Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection System Impact Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 13.14 No Partnership. This Interconnection System Impact Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Interconnection System Impact Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection System Impact Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection System Impact Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection System Impact Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Interconnection System Impact Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or "California Independent System Operator Corporation"]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

Attachment A

**Interconnection System Impact
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION SYSTEM IMPACT STUDY**

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by the Interconnection Customer and other assumptions to be provided by the Interconnection Customer and the ["Participating TO" or "ISO"]

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between ____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and [**insert name of the Participating TO or "the California Independent System Operator Corporation"**], a _____ existing under the laws of the State of California , ("**Participating TO**" or "**ISO**"). The Interconnection Customer and the _____ [**"Participating TO**" or "**ISO**"] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Large Generating Facility with the ISO Controlled Grid;

WHEREAS, the _____ [**"Participating TO**" or "**ISO**"] has completed an Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the _____ [**"Participating TO**" or "**ISO**"] to perform an Interconnection Facilities Study to 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 Large Generating Facility to the ISO Controlled Grid.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the _____ [**"Participating TO**" or "**ISO**"] shall cause an Interconnection Facilities Study consistent with Section 8 of the LGIP to be performed in accordance with the ISO Tariff.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), and schedule for required facilities within the Participating TO's electric system to interconnect the Large Generating Facility to the ISO

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: August 30, 2005

Effective: July 1, 2005

Controlled Grid and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Impact Study.

- 5.0 The Interconnection Customer shall provide a deposit of the greater of \$100,000 or the Interconnection Customer's portion of the estimated monthly cost for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

For studies where the estimated cost exceed \$100,000, the _____ **["Participating TO" or "ISO"]** may invoice 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" or "ISO"]** shall continue to hold the amounts on deposit until settlement of the final invoice.

Following the issuance of the Interconnection Facilities Study, the _____ **["Participating TO" or "ISO"]** shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study, inclusive of any re-studies and amendments to the Interconnection Facilities Study, pursuant to Section 9 of this Agreement.

Any difference between the deposit made toward the Interconnection Facilities Study and the actual cost of the study, inclusive of any re-studies and amendments thereto, shall be paid by or refunded to the Interconnection Customer, as appropriate in accordance with Section 13.3 of the LGIP.

- 6.0 The Interconnection Facilities Study will be based upon the results of the Interconnection System Impact Study and the technical information provided by the Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. The _____ **["Participating TO" or "ISO"]** reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Facilities Study.

If the Interconnection Customer modifies its Interconnection Request or the technical information provided therein is modified, the time to complete the Interconnection Facilities Study may be extended.

- 7.0 Pursuant to Section 3.7 of the LGIP, the ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems. The _____ **["Participating TO" or "ISO"]** may provide a copy of the Interconnection Facilities Study results to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection, and a revision of the Interconnection Facilities Study or re-study may be required in such event.

- 8.0 Substantial portions of technical data and assumptions used to perform the Interconnection Facilities Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ **["Participating TO" or "ISO"]** provides the Interconnection Facilities Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ **["Participating TO" or "ISO"]** provides the Interconnection Facilities Study to the Interconnection Customer. The _____ **["Participating TO" or "ISO"]** shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.
- 9.0 In the event that a re-study or amendment of the Interconnection Facilities Study is required, the _____ **["Participating TO" or "ISO"]** shall provide notification of the need for such re-study or amendment, and the Interconnection Customer shall provide direction as to whether to proceed with the re-study or amendment and any associated deposit payment pursuant to Section 8.5 or Section 12.2.4 of the LGIP, as applicable.
- 10.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Interconnection Facilities Study, inclusive of any re-studies or amendments thereto, in sufficient detail to allow verification of all costs incurred, including associated overhead. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Participating TO offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Interconnection Facilities Study, inclusive of any re-study or amendment thereto.
- 11.0 In accordance with Section 3.8 of the LGIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the ISO. Upon receipt of such notice, this Agreement shall terminate.
- 12.0 Pursuant to Section 8.1 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ **["Participating TO" or "ISO"]**. If the _____ **["Participating TO" or "ISO"]** does not receive the fully executed Agreement and payment pursuant to Section 8.1 of the LGIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the ISO pursuant to Section 3.8 of the LGIP.
- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Interconnection Facilities Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP.

- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 13.3 Binding Effect. This Interconnection Facilities Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Interconnection Facilities Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interconnection Facilities Study Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Interconnection Facilities Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection Facilities Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection Facilities Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection Facilities Study Agreement or such Appendix to this Interconnection Facilities Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Interconnection Facilities Study Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.6 Entire Agreement. This Interconnection Facilities Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Interconnection Facilities Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Interconnection Facilities Study Agreement.
- 13.7 No Third Party Beneficiaries. This Interconnection Facilities Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and

the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

- 13.8 Waiver. The failure of a Party to this Interconnection Facilities Study Agreement to insist, on any occasion, upon strict performance of any provision of this Interconnection Facilities Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Interconnection Facilities Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Interconnection Facilities Study Agreement. Termination or default of this Interconnection Facilities Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO. Any waiver of this Interconnection Facilities Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Interconnection Facilities Study Agreement, or with respect to any other matter arising in connection with this Interconnection Facilities Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Interconnection Facilities Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Interconnection Facilities Study Agreement shall not constitute or be deemed a waiver of such right.

- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Interconnection Facilities Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Interconnection Facilities Study Agreement.
- 13.10 Multiple Counterparts. This Interconnection Facilities Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Interconnection Facilities Study Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interconnection Facilities Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Interconnection Facilities Study Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The _____ [**"Participating TO" or "ISO"**] shall have the right to make a unilateral filing with FERC to modify this Interconnection Facilities Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection

Customer shall have the right to make a unilateral filing with FERC to modify this Interconnection Facilities Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interconnection Facilities Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

- 13.14 No Partnership. This Interconnection Facilities Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Interconnection Facilities Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Interconnection Facilities Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interconnection Facilities Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Interconnection Facilities Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Interconnection Facilities Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or "California Independent System Operator Corporation"]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

Attachment A

**Interconnection Facilities
Study Agreement**

**INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE
INTERCONNECTION FACILITIES STUDY**

The _____ [**“Participating TO” 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 of receipt of an executed copy of this 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 with no more than a +/- 10 percent cost estimate contained in the report.

Attachment B

**Interconnection Facilities
Study Agreement**

**DATA FORM TO BE PROVIDED BY THE INTERCONNECTION CUSTOMER
WITH THE INTERCONNECTION FACILITIES STUDY AGREEMENT**

Provide two copies of this completed form and other required plans and diagrams in accordance with Section 8.1 of the LGIP.

Provide location plan and one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

One set of metering is required for each generation connection to the new bus or existing Transmission Provider station. Number of generation connections: _____

On the one line indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one line indicate the location of auxiliary power. (Minimum load on CT/PT)

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

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? ___ Yes ___ No
(Please indicate on one line).

What type of control system or PLC will be located at the Interconnection Customer's Large Generating Facility?

What protocol does the control system or PLC use?

Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.

Physical dimensions of the proposed interconnection station:

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: August 30, 2005

Effective: July 1, 2005

OPTIONAL INTERCONNECTION STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____ [**insert name of the Participating TO or "the California Independent System Operator Corporation"**] a _____ existing under the laws of the State of California, ("**Participating TO**" or "**ISO**"). The Interconnection Customer and the _____ [**"Participating TO" or "ISO"**] each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated _____;

WHEREAS, the Interconnection Customer is proposing to establish an interconnection with the ISO Controlled Grid; and

WHEREAS, the Interconnection Customer has submitted to the ISO an Interconnection Request; and

WHEREAS, on or after the date when the Interconnection Customer receives the Interconnection System Impact Study results, the Interconnection Customer has further requested that _____ [**"Participating TO" or "ISO"**] prepare an Optional Interconnection Study;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the ISO's FERC-approved Standard Large Generation Interconnection Procedures ("LGIP") or the Master Definitions Supplement, Appendix A to the ISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the _____ [**"Participating TO" or "ISO"**] shall cause an Optional Interconnection Study consistent with Section 10 of the LGIP to be performed in accordance with the ISO Tariff.
- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Optional Interconnection Study shall be performed solely for informational purposes.
- 5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by the Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify the Participating TO's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: August 30, 2005

Effective: July 1, 2005

may be required to provide transmission service or interconnection service based upon the assumptions specified by the Interconnection Customer in Attachment A.

- 6.0 The Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Optional Interconnection Study. The _____ **["Participating TO" or "ISO"]**'s good faith estimate for the time of completion of the Optional Interconnection Study is _____ [insert date].

Following the issuance of the Optional Interconnection Study, the _____ **["Participating TO" or "ISO"]** shall charge and the Interconnection Customer shall pay the actual costs of the Optional Interconnection Study.

Any difference between the initial payment and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate.

- 7.0 Substantial portions of technical data and assumptions used to perform the Optional Interconnection Study, such as system conditions, existing and planned generation, and unit modeling, may change after the _____ **["Participating TO" or "ISO"]** provides the Optional Interconnection Study results to the Interconnection Customer. Study results will reflect available data at the time the _____ **["Participating TO" or "ISO"]** provides the Optional Interconnection Study to the Interconnection Customer. The _____ **["Participating TO" or "ISO"]** shall not be responsible for any additional costs, including without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.

- 8.0 The Participating TO shall maintain records and accounts of all costs incurred in performing the Optional Interconnection Study in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Participating TO offices and at its own expense, to audit the Participating TO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's notification of the final costs of the Optional Interconnection Study.

- 9.0 Pursuant to Section 10.1 of the LGIP, this Agreement shall become effective upon the date the fully executed Agreement and deposit specified in Section 6 of this Agreement are received by the _____ **["Participating TO" or "ISO"]**. If the _____ **["Participating TO" or "ISO"]** does not receive the fully executed Agreement and payment pursuant to Section 10.1 of the LGIP, then the offer reflected in this Agreement will expire and this Agreement will be of no effect.

- 10.0 Miscellaneous.

- 10.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Optional Interconnection Study Agreement, shall be resolved in accordance with Section 13.5 of the LGIP

- 10.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 10.3 Binding Effect. This Optional Interconnection Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 10.4 Conflicts. In the event of a conflict between the body of this Optional Interconnection Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Optional Interconnection Study Agreement shall prevail and be deemed the final intent of the Parties.
- 10.5 Rules of Interpretation. This Optional Interconnection Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Optional Interconnection Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Optional Interconnection Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Optional Interconnection Study Agreement or such Appendix to this Optional Interconnection Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Optional Interconnection Study Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 10.6 Entire Agreement. This Optional Interconnection Study Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Optional Interconnection Study Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Optional Interconnection Study Agreement.
- 10.7 No Third Party Beneficiaries. This Optional Interconnection Study Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and

the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

- 10.8 Waiver. The failure of a Party to this Optional Interconnection Study Agreement to insist, on any occasion, upon strict performance of any provision of this Optional Interconnection Study Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Optional Interconnection Study Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Optional Interconnection Study Agreement. Termination or default of this Optional Interconnection Study Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the other Party. Any waiver of this Optional Interconnection Study Agreement shall, if requested, be provided in writing.

Any waivers at any time by any Party of its rights with respect to any default under this Optional Interconnection Study Agreement, or with respect to any other matter arising in connection with this Optional Interconnection Study Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Optional Interconnection Study Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Optional Interconnection Study Agreement shall not constitute or be deemed a waiver of such right.

- 10.9 Headings. The descriptive headings of the various Articles and Sections of this Optional Interconnection Study Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Optional Interconnection Study Agreement.
- 10.10 Multiple Counterparts. This Optional Interconnection Study Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 10.11 Amendment. The Parties may by mutual agreement amend this Optional Interconnection Study Agreement by a written instrument duly executed by both of the Parties.
- 10.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Optional Interconnection Study Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Optional Interconnection Study Agreement upon satisfaction of all applicable laws and regulations.
- 10.13 Reservation of Rights. The _____ **["Participating TO" or "ISO"]** shall have the right to make a unilateral filing with FERC to modify this Optional Interconnection Study Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection

Customer shall have the right to make a unilateral filing with FERC to modify this Optional Interconnection Study Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Optional Interconnection Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

- 10.14 No Partnership. This Optional Interconnection Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 10.15 Assignment. This Optional Interconnection Study Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Optional Interconnection Study Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Optional Interconnection Study Agreement; and provided further that the Interconnection Customer shall have the right to assign this Optional Interconnection Study Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Large Generating Unit, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Optional Interconnection Study Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of the Participating TO or "California Independent System Operator Corporation"]

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

**Attachment A
Optional Interconnection
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING
THE OPTIONAL INTERCONNECTION STUDY**

[To be completed by the Interconnection Customer consistent with Section 10 of the LGIP.]

ATTACHMENT D

5.7 Interconnection of Generating Units and Generating Facilities to the ISO Controlled Grid.

5.7.1 Applicability.

This Section 5.7 and the Standard Large Generator Interconnection Procedures (LGIP) or ISO Tariff Appendix W, as applicable, shall apply to:

- (a) each new Generating Unit that seeks to interconnect to the ISO Controlled Grid;
- (b) each existing Generating Unit connected to the ISO Controlled Grid that will be modified with a resulting increase in the total capability of the power plant;
- (c) each existing Generating Unit connected to the ISO Controlled Grid that will be modified without increasing the total capability of the power plant but has changed the electrical characteristics of the power plant such that its re-energization may violate Applicable Reliability Criteria; and
- (d) each existing qualifying facility Generating Unit connected to the ISO Controlled Grid whose total Generation was previously sold to a Participating TO or on-site customer but whose Generation, or any portion thereof, will now be sold in the wholesale market, subject to Section 5.7.1.2 below.

5.7.1.1 The owner of a Generating Unit described in Section 5.7.1(a), (b), or (c), or its designee, shall be an Interconnection Customer required to submit an Interconnection Request and comply with the ~~Standard Large Generator Interconnection Procedures~~ LGIP or ISO Tariff Appendix W, as applicable.

5.7.1.2 If the owner of a qualifying facility described in Section 5.7.1(d), or its designee, represents that the total capability and electrical characteristics of the qualifying facility will be substantially unchanged, then that entity must submit an affidavit to the ISO and the applicable Participating TO representing that the total capability and electrical characteristics of the qualifying facility will remain substantially unchanged. If there is any change to the total capability and electrical characteristics of the qualifying facility, however, the affidavit shall include supporting information describing any such changes. The ISO and the applicable Participating

TO shall have the right to verify whether or not the total capability or electrical characteristics of the qualifying facility have changed or will change.

5.7.1.2.1 If the ISO and the applicable Participating TO confirm that the electrical characteristics are substantially unchanged, then that request will not be placed into the interconnection queue. However, the owner of the qualifying facility, or its designee, will be required to execute either a Standard Large Generator Interconnection Agreement in accordance with Section 11 of the ~~LGIP Standard Large Generator Interconnection Procedures~~ or an interconnection agreement in accordance with ISO Tariff Appendix W, as applicable.

5.7.1.2.2 If the ISO and the applicable Participating TO cannot confirm that the total capability and electrical characteristics are and will be substantially unchanged, then the owner of the qualifying facility, or its designee, shall be an Interconnection Customer required to submit an Interconnection Request and comply with either the ~~LGIP Standard Large Generator Interconnection Procedures~~ or ISO Tariff Appendix W, as applicable.

5.7.2 Interconnections to the Distribution System.

Any proposed interconnection by the owner of a planned Generating Unit, or its designee, to connect that Generating Unit to a Distribution System of a Participating TO will be processed, as applicable, pursuant to the Wholesale Distribution Access Tariff or CPUC Rule 21, or other Local Regulatory Authority requirements, if applicable, of the Participating TO; provided, however, that the owner of the planned Generating Unit, or its designee, shall be required to mitigate any adverse impact on reliability of the ISO Controlled Grid consistent with the Standard Large Generator Interconnection Procedures. In addition, each Participating TO will provide to the ISO a copy of the system impact study used to determine the impact of a planned Generating Unit on the Distribution System and the ISO Controlled Grid pursuant to a request to interconnect under the applicable Wholesale Distribution Access Tariff or CPUC Rule 21, or other Local Regulatory Authority requirements, if applicable.

5.7.3-5.1 Maintenance of Encumbrances.

No ~~New Generating Unit Facility~~ shall adversely affect the ability of the ~~Interconnecting PTO~~ applicable Participating TO to honor its Encumbrances existing as of the time an Interconnection Customer New Facility submits its Interconnection Application-Request to the ISO. The ~~Interconnecting PTO~~ applicable Participating TO, in consultation with the ISO, shall identify any such adverse effect on its Encumbrances in the Interconnection System Impact Study performed under Section 7 of the LGIP or under Section 5.1 of ISO Tariff Appendix W, as applicable. ~~5.7.4.2.1.~~

To the extent the ~~Interconnecting PTO~~ applicable Participating TO determines that the connection of the ~~New Generating Unit Facility~~ will have an adverse effect on Encumbrances, the ~~New Facility Operator~~ Interconnection Customer shall mitigate such adverse effect.

ATTACHMENT E

5.7 Interconnection of Generating Units and Generating Facilities to the ISO Controlled Grid.

5.7.1 Applicability.

This Section 5.7 and the Standard Large Generator Interconnection Procedures (LGIP) or ISO Tariff Appendix W, as applicable, shall apply to:

- (a) each new Generating Unit that seeks to interconnect to the ISO Controlled Grid;
- (b) each existing Generating Unit connected to the ISO Controlled Grid that will be modified with a resulting increase in the total capability of the power plant;
- (c) each existing Generating Unit connected to the ISO Controlled Grid that will be modified without increasing the total capability of the power plant but has changed the electrical characteristics of the power plant such that its re-energization may violate Applicable Reliability Criteria; and
- (d) each existing qualifying facility Generating Unit connected to the ISO Controlled Grid whose total Generation was previously sold to a Participating TO or on-site customer but whose Generation, or any portion thereof, will now be sold in the wholesale market, subject to Section 5.7.1.2 below.

5.7.1.1 The owner of a Generating Unit described in Section 5.7.1(a), (b), or (c), or its designee, shall be an Interconnection Customer required to submit an Interconnection Request and comply with the LGIP or ISO Tariff Appendix W, as applicable.

5.7.1.2 If the owner of a qualifying facility described in Section 5.7.1(d), or its designee, represents that the total capability and electrical characteristics of the qualifying facility will be substantially unchanged, then that entity must submit an affidavit to the ISO and the applicable Participating TO representing that the total capability and electrical characteristics of the qualifying facility will remain substantially unchanged. If there is any change to the total capability and electrical characteristics of the qualifying facility, however, the affidavit shall include supporting information describing any such changes.

The ISO and the applicable Participating TO shall have the right to verify whether or not the total capability or electrical characteristics of the qualifying facility have changed or will change.

5.7.1.2.1 If the ISO and the applicable Participating TO confirm that the electrical characteristics are substantially unchanged, then that request will not be placed into the interconnection queue.

However, the owner of the qualifying facility, or its designee, will be required to execute either a Standard Large Generator Interconnection Agreement in accordance with Section 11 of the LGIP or an interconnection agreement in accordance with ISO Tariff Appendix W, as applicable.

5.7.1.2.2 If the ISO and the applicable Participating TO cannot confirm that the total capability and electrical characteristics are and will be substantially unchanged, then the owner of the qualifying facility, or its designee, shall be an Interconnection Customer required to submit an Interconnection Request and comply with either the LGIP or ISO Tariff Appendix W, as applicable.

5.7.2 Interconnections to the Distribution System.

Any proposed interconnection by the owner of a planned Generating Unit, or its designee, to connect that Generating Unit to a Distribution System of a Participating TO will be processed, as applicable, pursuant to the Wholesale Distribution Access Tariff or CPUC Rule 21, or other Local Regulatory Authority requirements, if applicable, of the Participating TO; provided, however, that the owner of the planned Generating Unit, or its designee, shall be required to mitigate any adverse impact on reliability of the ISO Controlled Grid consistent with the Standard Large Generator Interconnection Procedures. In addition, each Participating TO will provide to the ISO a copy of the system impact study used to determine the impact of a planned Generating Unit on the Distribution System and the ISO Controlled Grid pursuant to a request to interconnect under the applicable Wholesale Distribution Access Tariff or CPUC Rule 21, or other Local Regulatory Authority requirements, if applicable.

5.7.3 Maintenance of Encumbrances.

No new Generating Unit shall adversely affect the ability of the applicable Participating TO to honor its Encumbrances existing as of the time an Interconnection Customer submits its Interconnection Request to the ISO. The applicable Participating TO, in consultation with the ISO, shall identify any such adverse effect on its Encumbrances in the Interconnection System Impact Study performed under Section 7 of the LGIP or under Section 5.1 of ISO Tariff Appendix W, as applicable. To the extent the applicable Participating TO determines that the connection of the new Generating Unit will have an adverse effect on Encumbrances, the Interconnection Customer shall mitigate such adverse effect.

ATTACHMENT F

**REVISIONS TO ISO TARIFF APPENDIX A DEFINED TERMS
TO COMPLY WITH JULY 1, 2005 ORDER**

<u>Generating Facility Capacity</u>	<u>The capacity of the Generating Facility and the aggregate capacity of the Generating Facility where it includes multiple energy production devices.</u>
<u>Large Generating Facility</u>	<u>A Generating Facility having a Generating Facility Capacity of more than 20 MW.</u>
<u>Small Generating Facility</u>	<u>A Generating Facility that has a Generating Facility Capacity of no more than 20 MW.</u>

ATTACHMENT G

<u>FTR Bidder</u>	An entity that submits a bid in an FTR auction conducted by the ISO in accordance with Section 9.4 of the ISO Tariff.
<u>FTR Holder</u>	The owner of an FTR, as registered with the ISO.
<u>FTR Market</u>	A transmission path from an originating Zone to a contiguous receiving Zone for which FTRs are auctioned by the ISO in accordance with Section 9.4 of the ISO Tariff.
<u>Full Marginal Loss Rate</u>	A rate calculated by the ISO for each Generation and Scheduling Point location to determine the effect on total system Transmission Losses of injecting an increment of Generation at each such location to serve an equivalent incremental MW of Demand distributed proportionately throughout the ISO Control Area.
<u>Generating Facility</u>	An Interconnection Customer's Generating Unit(s) used for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.
<u>Generating Facility Capacity</u>	The capacity of the Generating Facility and the aggregate capacity of the Generating Facility where it includes multiple energy production devices.
<u>Generating Unit</u>	An individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered or a Physical Scheduling Plant that, in either case, is: <ul style="list-style-type: none">(a) located within the ISO Control Area;(b) connected to the ISO Controlled Grid, either directly or via interconnected transmission, or distribution facilities; and

- (c) that is capable of producing and delivering net Energy
(Energy in excess of a generating station's internal
power requirements).

Generation

Energy delivered from a Generating Unit.

ISP (Internet Service Provider)

An independent network service organization engaged by the ISO to establish, implement and operate Wenet.

Large Generating Facility

A Generating Facility having a Generating Facility Capacity of more than 20 MW.

Load

An end-use device of an End-Use Customer that consumes power. Load should not be confused with Demand, which is the measure of power that a Load receives or requires.

Load Shedding

The systematic reduction of system Demand by temporarily decreasing the supply of Energy to Loads in response to transmission system or area capacity shortages, system instability, or voltage control considerations.

Local Furnishing Bond

Tax-exempt bonds utilized to finance facilities for the local furnishing of electric energy, as described in section 142(f) of the Internal Revenue Code, 26 U.S.C. § 142(f).

Local Furnishing Participating TO

Any Tax-Exempt Participating TO that owns facilities financed by Local Furnishing Bonds.

Local Publicly Owned Electric Utilities

A municipality or municipal corporation operating as a public utility furnishing electric service, a municipal utility district furnishing electric service, a public utility district furnishing electric services, an irrigation district furnishing electric services, a state agency or subdivision furnishing electric services, a rural cooperative furnishing electric services, or a joint powers authority that includes one or more of these agencies and that owns Generation or transmission facilities, or furnishes electric services over its own or its members' electric Distribution System.

Severance Fee

The charge or periodic charge assessed to customers to recover the reasonable uneconomic portion of costs associated with Generation-related assets and obligations, nuclear decommissioning, and capitalized Energy efficiency investment programs approved prior to August 15, 1996 and as defined in the California Assembly Bill No. 1890 approved by the Governor on September 23, 1996.

Site Control

Documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site for such purpose; or (3) an exclusivity or other business relationship between Interconnection Customer and the entity having the right to sell, lease or grant Interconnection Customer the right to possess or occupy a site for such purpose.

Scheduling and Logging system for the ISO of California (SLIC)

A logging application that allows Market Participants to notify the ISO when a unit's properties change due to physical problems. Users can modify the maximum and minimum output of a unit, as well as the ramping capability of the unit.

Small Generating Facility

A Generating Facility that has a Generating Facility Capacity of no more than 20 MW.

Spinning Reserve

The portion of unloaded synchronized generating capacity that is immediately responsive to system frequency and that is capable of being loaded in ten minutes, and that is capable of running for at least two hours.

**Stand Alone Network
Upgrades**

Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the ISO Controlled Grid or Affected Systems during their construction. The Participating TO, the ISO, and the Interconnection Customer must agree as to what constitutes Stand Alone

ATTACHMENT H

ISO TARIFF APPENDIX W

Interconnection Procedures in Effect Prior to July 1, 2005 ("Amendment 39 Procedures")

Interconnection Procedures in Effect Prior to July 1, 2005 ("Amendment 39 Procedures")

1 Applicability.

These Amendment 39 Procedures are applicable to Small Generating Facilities interconnecting to the ISO Controlled Grid and to Large Generating Facilities in accordance with Section 5.1 of the LGIP. The owner of a planned New Facility, or its designee, is referred to for purposes of this Appendix as a New Facility Operator.

2 Definitions.

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 Appendix.

2.2 Special Definitions for this Appendix.

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

Completed Application Date

For purposes of this Appendix, the date on which a New Facility Operator submits an Interconnection Application to the ISO that satisfies the requirements of the ISO Tariff and the TO Tariff of the Interconnecting PTO.

Completed Interconnection Application

An Interconnection Application that meets the information requirements as specified by the ISO and posted on the ISO Home Page.

Data Adequacy Requirement

Any applicable minimum data requirements of the state agency responsible for generation siting or of any Local Regulatory Authority.

Delivery Upgrade

The transmission facilities, other than Direct Assignment Facilities and Reliability Upgrades, necessary to relieve constraints on the ISO Controlled Grid and to ensure the delivery of energy from a New Facility to Load.

Designated Contact Person

The person designated by each Participating TO to coordinate with the ISO on the processing and completion of all Interconnection Applications.

<u>Direct Assignment Facility</u>	<u>The transmission facilities necessary to physically and electrically interconnect a New Facility Operator to the ISO Controlled Grid at the point of interconnection.</u>
<u>Expedited Interconnection Agreement</u>	<u>A contract between a party which has submitted a Request for Expedited Interconnection Procedures and an Interconnecting PTO under which the ISO and an Interconnecting PTO agree to process, on an expedited basis, the Interconnection Application of a New Facility Operator and which sets forth the terms, conditions, and cost responsibilities for such interconnection.</u>
<u>Good Faith Deposit</u>	<u>The deposit paid to the ISO by a New Facility Operator with submission of its Interconnection Application in accordance with Section 3.2 of this Appendix, in an amount equal to \$10,000, including any interest that accrues on the original amount, less any bank fees or other charges assessed on the escrow account. A New Facility Operator may satisfy its deposit obligation through any commercially available financial instrument determined to be satisfactory by the ISO.</u>
<u>Interconnecting PTO</u>	<u>For purposes of this Appendix, the Participating TO that will supply the connection to the New Facility.</u>
<u>Interconnection Application</u>	<u>An application that requests interconnection of a New Facility to the ISO Controlled Grid and that meets the information requirements as specified by the ISO and posted on the ISO Home Page.</u>
<u>New Facility</u>	<u>A planned or Existing Generating Unit that requests, pursuant to this Appendix, to interconnect or modify its interconnection to the ISO Controlled Grid.</u>
<u>New Facility License</u>	<u>A license issued by a federal, state or Local Regulatory Authority that enables an entity to build and operate a Generating Unit.</u>
<u>New Facility Operator</u>	<u>The owner of a planned New Facility, or its designee.</u>
<u>Planning Procedures</u>	<u>Procedures governing the planning, expansion and reliable interconnection to the ISO Controlled Grid that the ISO may, from time to time, develop.</u>
<u>Reliability Upgrade</u>	<u>The transmission facilities, other than Direct Assignment Facilities, beyond the first point of interconnection necessary to interconnect a New Facility safely and reliably to the ISO Controlled Grid, which would not have been necessary but for the interconnection of a New Facility, including network upgrades necessary to remedy short circuit or stability problems resulting from the interconnection of a New Facility to the ISO Controlled Grid. Reliability Upgrades also include, consistent with WSCC practice, the facilities necessary to mitigate any adverse impact a New Facility's interconnection may have on a path's WSCC path rating.</u>
<u>Request for Expedited</u>	

Interconnection Procedures A written request, submitted pursuant to Section 3.1.1 of this Appendix, by which a New Facility Operator can request expedited processing of its Interconnection Application.

System Impact Study An engineering study conducted to determine whether a New Facility Operator's request for interconnection to the ISO Controlled Grid would require new transmission additions, upgrades or other mitigation measures.

5.7.3 Interconnection Application.

All-Unless the New Facility Operator has submitted a Completed Interconnection Application to the ISO prior to July 1, 2005, any-New Facility Operators shall submit two copies of a Completed Interconnection Application to the ISO in the form specified by the ISO. The ISO will date stamp all copies of the Interconnection Application, retain one executed copy, and, within 1 Business Day, send the other copy to the Designated Contact Person of the Interconnecting PTO. Within 10 Business Days after the Interconnecting PTO receives an Interconnection Application, the ISO and the Interconnecting PTO shall determine whether the application is complete and the ISO will notify the New Facility Operator that its Interconnection Application is complete; or, in the event that the ISO, in consultation with the Interconnecting PTO, determines that the Interconnection Application is incomplete, the ISO will notify the New Facility Operator of the deficiencies or omissions in its application.

5.7.3.1 Expedited Procedures For New Facilities.

A New Facility Operator may submit a Request for Expedited Interconnection Procedures in accordance with Section 5.7.3.1.1 of this Appendix. The ISO will develop and post on the ISO Home Page the Planning Procedures applicable to such expedited processing of Interconnection Applications.

5.7.3.1.1 Request for Expedited Interconnection Procedures.

- (a) If it elects to expedite processing of its Completed Interconnection Application, a New Facility Operator shall submit a Request for Expedited Interconnection Procedures within 10 Business Days after receiving a copy of the System Impact Study for the proposed

interconnection. The request should be submitted in writing to the ISO and the Interconnecting PTO.

- (b) Within 10 Business Days after receiving a Request for Expedited Interconnection Procedures, the ISO and Interconnecting PTO shall provide to applicant the results of any studies required in addition to the System Impact Study, and shall tender an Expedited Interconnection Agreement that requires the applicant to compensate the Interconnecting PTO for all costs reasonably incurred pursuant to the terms of the ISO Tariff and the Interconnecting PTO's applicable TO Tariff for processing the Completed Interconnection Application and providing the requested interconnection.
- (c) Concurrent with the provision, by the ISO and the Interconnecting PTO, of the studies referenced in subsection b, above, the Interconnecting PTO and the ISO shall provide to applicant their best estimate of the cost of any needed Direct Assignment Facilities and Reliability Upgrades, Delivery Upgrades, if requested by the New Facility Operator, and other costs that may be incurred in processing the Interconnection Application and providing the requested interconnection, however, unless otherwise agreed by the ISO, and the Interconnecting PTO, and the applicant, such cost estimate shall not be binding and the New Facility Operator shall compensate the ISO and the Interconnecting PTO for all actual interconnection costs reasonably incurred pursuant to the provisions of this Appendix and the Interconnecting PTO's TO Tariff.
- (d) The New Facility Operator shall execute and return to the Interconnecting PTO, with a copy to the ISO, such Expedited Interconnection Agreement within 10 Business Days of its receipt or the New Facility Operator's Interconnection Application will be deemed withdrawn. In that event, the New Facility Operator shall reimburse the ISO and the Interconnecting PTO for all costs reasonably incurred in the processing of the Interconnection Application, including the Request for Expedited Interconnection.

5.7.3.2 Good Faith Deposit.

- (a) Each New Facility Operator that submits an Interconnection Application will on the date of submission also provide a Good Faith Deposit to the ISO. The ISO shall hold the Good Faith Deposit in trust for each applicant in a separate, interest-bearing account.
- (b) The ISO shall refund the Good Faith Deposit, with accrued Interest, in the event that:
 - (i) The ISO determines that the New Facility is not responsible for any interconnection costs, other than study costs; or
 - (ii) The applicant withdraws its Interconnection Application or its Interconnection Application is deemed withdrawn.

5.7.3.3 Posting of Interconnection Applications and Non-disclosure.

The ISO will maintain on its OASIS site an updated list of all pending Interconnection Applications. As soon as practicable after the ISO receives a Completed Interconnection Application, the ISO will post the nearest substation, the capacity (MW) of the New Facility and the year the New Facility is proposed to begin operations. At the time it submits its Interconnection Application, a New Facility Operator may request in writing that the ISO and Interconnecting PTO not publicly disclose the identity of such New Facility Operator. Upon such request, the ISO and Interconnecting PTO will not disclose the identity of the applicant while its Interconnection Application is pending, unless disclosure is permitted under Section 20.3.1 of the ISO Tariff or in the event that an applicant's identity becomes otherwise publicly known.

5.7.4 Interconnection.

5.7.4.1 Detailed Planning Procedures.

The provisions set forth in this Appendix shall govern the interconnection of New Facilities to the ISO Controlled Grid, including the costs of such interconnection. The ISO shall also maintain on the ISO Home Page detailed Planning Procedures and interconnection standards for all such interconnections. ~~The ISO will develop, and post on the ISO Home Page, detailed procedures for updating the Planning Procedures.~~

5.7.4.2 Studies.

- (a) Except as provided in Section 5.7.4.2(d) of this Appendix, for each Completed Interconnection Application, the ISO will direct the Interconnecting PTO to perform the required System Impact Study and Facility Study, and any additional studies the ISO determines to be reasonably necessary.
- (b) The Interconnecting PTO will complete or cause to be completed all studies directed by the ISO within the timelines provided in this section. Any studies performed by the ISO or by a third party at the direction of the ISO shall also be completed within the timelines provided in this section.
- (c) Each New Facility Operator shall pay the reasonable costs of all System Impact and Facility Studies performed by or at the direction of the ISO or the Interconnecting PTO, and any additional studies the ISO determines to be reasonably necessary in response to the Interconnection Application, including any iterative study costs required for other New Facility Operator's that have established a new queue position due to the New Facility Operator either withdrawing its Interconnection Application or because its queue position has been modified pursuant to the procedures in Section 5.7.4.4 of this Appendix. A New Facility Operator shall also pay the reasonable cost of Interconnecting PTO review of any System Impact Study or Facility Study that is performed by a New Facility Operator or its designee pursuant to subsection (d).
- (d) A New Facility Operator may perform its own System Impact Study and Facility Study, or contract with a third party to perform the System Impact Study and Facility Study, and shall so notify the ISO and the Interconnecting PTO of this election at the time it submits its Interconnection Application. Any such study or studies performed by a New Facility Operator or third party must be completed within the timelines identified in Sections 5.7.4.2.1 and 5.7.4.2.2 of this Appendix. To the extent that the ISO and Interconnecting PTO disagree on the adequacy of the New Facility Operator or third party-sponsored study, the ISO will determine the adequacy of the study, subject to the ISO's ADR Procedures. The ISO and Interconnecting PTO shall complete their review of the New

Facility Operator's study within 30 calendar days of receipt of the completed study. The results of any study or studies performed by a New Facility Operator or third party must be approved by both the ISO and the Interconnecting PTO.

5.7.4.2.1 System Impact Study Procedures.

Within 10 Business Days after receiving a Completed Interconnection Application by the Interconnecting PTO, the ISO and the Interconnecting PTO will determine, on a non-discriminatory basis, whether a System Impact Study is required. The ISO and the Interconnecting PTO will make such determination based on the ISO Grid Planning Criteria and the transmission assessment practices outlined in the ISO Planning Procedures posted on the ISO Home Page. The ISO and Interconnecting PTO will utilize, to the extent possible, existing transmission studies. The System Impact Study will identify whether any Direct Assignment Facilities and Reliability Upgrades are needed, as well as, if requested by the New Facility Operator, any Delivery Upgrades necessary to deliver a New Facility's full output over the ISO Controlled Grid. The System Impact Study will also identify any adverse impact on Encumbrances existing as of the Completed Application Date.

If the ISO and the Interconnecting PTO determine that a System Impact Study is necessary, the Interconnecting PTO shall within 20 Business Days of receipt of Completed Interconnection Application, tender a System Impact Study Agreement that defines the scope, content, assumptions and terms of reference for such study, the estimated time required to complete it, and pursuant to which the applicant shall agree to reimburse the Interconnecting PTO for the reasonable actual costs of performing the required study. The New Facility Operator shall execute the System Impact Study Agreement and return it to the Interconnecting PTO within 10 Business Days, together with payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the System Impact Study. Alternatively, a New Facility Operator can request that the Interconnecting PTO proceed with the System Impact Study and abide by the terms, conditions, and cost assignment of the System Impact Study Agreement as determined through the ISO ADR Procedures, provided that such request is accompanied by payment for the

reasonable estimated cost, as provided by the Interconnecting PTO, of the System Impact Study. If a New Facility Operator elects neither to execute the System Impact Study Agreement nor to rely upon the ISO ADR Procedures, such New Facility Operator's Completed Application will be deemed withdrawn. If the New Facility Operator's application is deemed withdrawn, the New Facility Operator will compensate the Interconnecting PTO for all reasonable costs incurred to that date in processing the Completed Interconnection Application.

The Interconnecting PTO will use due diligence to complete the System Impact Study within 60 calendar days of receipt of payment and the System Impact Study Agreement or initiation of the ISO ADR Procedures. If the Interconnecting PTO cannot complete the System Impact Study within 60 calendar days, the Interconnecting PTO will notify the New Facility Operator, in writing, of the reason why additional time is required to complete the required study and the estimated completion date.

5.7.4.2.2 Facility Study Procedures.

If a System Impact Study indicates that additions or upgrades to the ISO Controlled Grid are needed to satisfy a New Facility Operator's request for interconnection, the Interconnecting PTO shall, within 15 Business Days of the completion of the System Impact Study, tender to a New Facility Operator a Facility Study Agreement that defines the scope, content, assumptions and terms of reference for such study, the estimated time to complete the required study, and pursuant to which the applicant agrees to reimburse the Interconnecting PTO for the actual costs of performing the required Facility Study. The New Facility Operator shall execute the Facility Study Agreement and return it to the Interconnecting PTO within 10 Business Days, together with payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the Facility Study. Alternatively, a New Facility Operator may request that the Interconnecting PTO proceed with the Facility Study and abide by the terms, conditions, and cost assignment of the Facility Study Agreement ultimately determined through the ISO ADR Procedures, provided that such request is accompanied by payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the Facility Study. If a New Facility Operator elects either to not execute

the Facility Study Agreement or to rely upon the ISO ADR Procedures, such New Facility Operator's Completed Application will be deemed withdrawn. If the New Facility Operator's application is deemed withdrawn, the New Facility Operator will compensate the Interconnecting PTO for all reasonable costs incurred to that date in processing the Completed Application. The Interconnecting PTO will use due diligence to complete the Facility Study within 60 calendar days of receipt of payment and the Facility Study Agreement or initiation of the ISO ADR Procedures. If the Interconnecting PTO cannot complete the Facility Study within 60 calendar days, the Interconnecting PTO will notify the New Facility Operator, in writing, of the reason why additional time is required to complete the required study and the estimated completion date. A New Facility Operator shall be entitled to amend its Completed Interconnection Application once without losing its queue position. Such amendment shall occur on or before 10 Business Days following the Date the Interconnecting PTO tenders a Facility Study Agreement. Specifically, as an alternative to executing and returning a Facility Study Agreement, a New Facility Operator may submit an amendment to its Completed Interconnection Application to reflect a revised configuration for its New Facility. The amended Completed Interconnection Application shall be treated in accordance with Section 5-7.4.2.1 of this Appendix and the New Facility Operator's Completed Interconnection Application shall not be deemed withdrawn, and it shall maintain its exiting queue position, if (a) the amended Completed Interconnection Application is received by the Interconnecting PTO within 10 Business Days of the Interconnecting PTO's tender of a Facility Study Agreement; and (b) the New Facility Operator has not submitted a previous amendment to the Completed Interconnection Application. In the event a New Facility Operator amends its Completed Interconnection Application, it will be responsible for any additional study costs that result from that amendment, including costs associated with revisions to studies for other applicants holding later queue positions.

5-7.4.3 Execution of Interconnection Agreement.

Following completion of the Facilities Study, a New Facility Operator proposing to interconnect a Large Generating Facility shall continue the interconnection process in accordance with Section 11.2 of the LGIP. Within 10 Business Days of receipt of a completed Facility Study, a New Facility Operator

proposing to interconnect a Small Generating Facility shall request the Interconnecting PTO to provide to such applicant an Interconnection Agreement. The Interconnecting PTO shall provide an Interconnection Agreement to an applicant within 30 Business Days of receipt of the request for an Interconnection Agreement. If the ISO and Interconnecting PTO determine, pursuant to Sections 5.7.4.2.1 and 5.7.4.2.2 of this Appendix, that either:

- (a) a New Facility Operator's Interconnection Application can be accommodated and that such New Facility Operator will not incur costs for Reliability Upgrades, the New Facility Operator shall execute the Interconnection Agreement within 10 Business Days of receipt of the Interconnection Agreement; or
- (b) a New Facility Operator's Interconnection Application will necessitate Reliability Upgrades, the New Facility Operator shall execute the Interconnection Agreement within 30 Business Days of receipt of the Interconnection Agreement or, if a New Facility Operator and the Interconnecting PTO are unable to agree on the rates, terms and conditions of the Interconnection Agreement, the New Facility Operator may request that the Interconnecting PTO file an unexecuted Interconnection Agreement at FERC. If a New Facility Operator does request that the Interconnecting PTO file an unexecuted Interconnection Agreement at FERC, the New Facility Operator shall agree to abide by the rates, terms and conditions of such Interconnection Agreement ultimately determined by FERC to be just and reasonable.

5.7.4.4 Queuing.

- (a) The ISO and Interconnecting PTO will process all Interconnection Applications based on the New Facility's Completed Application Date.
- (b) The queue position for each New Facility that has submitted an Interconnection Application will be established according to the Completed Application Date and the New Facility's compliance with the milestones set forth in Section 5.7.4.4.1 of this Appendix.
- (c) For any New Facility Operator that has submitted a request to interconnect to a Interconnecting PTO prior to June 1~~X~~, 2002 (the effective date of the Amendment 39 Procedures) ~~the date that FERC makes this LGIP for grandfathered Generating Unit~~

developers effective, such New Facility Operator's position in the queue will be based on its Completed Application Date as that term was defined in the Interconnecting PTOs TO Tariff in effect at the time the New Facility Operator submitted a request to interconnect to the Interconnecting PTO.

5.7.4.4.1 Queuing Milestones.

- (a) To maintain its queue position, each New Facility Operator must timely comply with the requirements of the ISO Tariff and the TO Tariff of the Interconnecting PTO and must, within 6 months of its Completed Application Date, satisfy all applicable Data Adequacy Requirements of state and local siting and other regulatory authorities. Any New Facility Operator not subject to state siting requirements must satisfy the information requirements set forth in 18 C.F.R. § 2.20. The ISO will permit a New Facility Operator to retain its queue position if such New Facility Operator requests an extension of the six-month period at least 5 Business Days prior to the expiration of such period. Such extension will be limited to one period of 30 Business Days and additional extensions shall not be granted. A New Facility Operator that does not maintain its queue position, but later satisfies the Data Adequacy Requirements, or the requirements of 18 C.F.R. § 2.20 if applicable, will be placed in a queue position comparable to that of other New Facility Operators that have satisfied the Data Adequacy Requirements, or the requirements of 18 C.F.R. § 2.20, as of the same date. At that time, the ISO and the Interconnecting PTO will determine whether a new System Impact Study must be performed based on the revised queue position of such New Facility Operator.
- (b) Upon satisfaction of the Data Adequacy Requirements, or the requirements of 18 C.F.R. § 2.20 if applicable, each New Facility Operator, in order to maintain its queue position, must obtain a New Facility License within 15 months after satisfying the Data Adequacy Requirements. A New Facility Operator that does not obtain a New Facility License within the allowed time and does not maintain its queue position, but later obtains a New Facility License, will be placed in a queue position comparable to other New Facility Operators that have satisfied comparable milestones as of that date.

- (c) Any New Facility whose New Facility License or building permit expires or is rescinded will not maintain its queue position.
- (d) A New Facility Operator that has submitted a dispute under Article 13 of the ISO Tariff regarding any part of this ~~Section 5.7~~Appendix may request that the presiding judge, arbitrator, or mediator of the dispute suspend its obligation to meet milestones in order to maintain its queue position. In the event such a suspension is granted, the New Facility Operator must satisfy the missed milestones specified in this Section ~~5.7.4.4.1~~ of this Appendix within 30 calendar days of the date the decision on the dispute becomes final.

5.7.4.5 Coordination of Critical Protective Systems.

New Facility Operators shall coordinate with the ISO, Participating TOs and UDCs to ensure that a New Facility Operator's Critical Protective Systems, including relay systems, are installed and maintained in order to function on a coordinated and complementary basis with ISO Controlled Grid Critical Protective Systems and the protective systems of the Participating TOs and UDCs. The ISO and Participating TOs will make available all information necessary for a New Facility Operator to determine whether its Critical Protective Systems are compatible with those of the ISO, Participating TOs and UDCs. The ISO and New Facility Operators shall also coordinate with entities that own, operate or control facilities outside of the ISO Controlled Grid to ensure that a New Facility's Critical Protective Systems function on a coordinated and complementary basis with such entities Critical Protective Systems.

5.7.5 Cost Responsibility of New Facility Operators.

- (a) Each New Facility Operator shall pay the costs of required studies in accordance with Section ~~5.7.4.2~~ of this Appendix and the costs identified in this Section 5. The ISO and Interconnecting PTO will provide each New Facility Operator an estimate of its total cost responsibility under this Section. A New Facility Operator shall be responsible for the actual costs of all Direct Assignment Facilities and Reliability Upgrades necessitated by its Completed Interconnection Application. The Interconnecting PTO will provide each New Facility Operator a detailed record of the actual costs assessed to it under this

Section. A New Facility Operator may request the Interconnecting PTO to provide any additional information reasonably necessary to audit the actual costs the New Facility Operator is assessed.

- (b) The ISO and Interconnecting PTO will process all Interconnection Applications, and determine the cost responsibility of each New Facility Operator based on the New Facility Operator's Completed Application Date or, if applicable, based on the queue position determined by the procedure described in Section 5.7.4.4.1(b) of this Appendix. The ISO and Interconnecting PTO will process simultaneously all interconnection requests with the same Completed Application Date.
- (c) Each New Facility Operator shall pay the costs of planning, installing, operating and maintaining the following facilities: (i) Direct Assignment Facilities, and, if applicable, (ii) Reliability Upgrades. In addition, each New Facility Operator shall implement all existing operating procedures necessary to safely and reliably connect the New Facility to the facilities of the Interconnecting PTO and to ensure the ISO Controlled Grid's conformance with the ISO Grid Planning Criteria, and shall bear all costs of implementing such operating procedures. The New Facility Operator shall be responsible for the costs of Reliability Upgrades only if the necessary facilities are not included in the ISO Controlled Grid Transmission Expansion Plan approved as of the New Facility Operator's Completed Application Date, or the date for the installation of a facility is advanced by the interconnection of the New Facility, in which case the New Facility Operator shall be responsible only for the incremental costs associated with the earlier installation of the facility.
- (d) Each New Facility Operator may, at its own discretion, sponsor, pursuant to Section 3.2 of the ISO Tariff, any Delivery Upgrades.

5.7.5.1 Maintenance of Encumbrances.

No New Facility shall adversely affect the ability of the Interconnecting PTO to honor its Encumbrances existing as of the time a New Facility submits its Interconnection Application to the

ISO. The Interconnecting PTO, in consultation with the ISO, shall identify any such adverse effect on its Encumbrances in the System Impact Study performed under Section 5.7.4.2.1 of this Appendix. To the extent the Interconnecting PTO determines that the connection of the New Facility will have an adverse effect on Encumbrances, the New Facility Operator shall mitigate such adverse effect.

5.7.5.2 Settlement of Interconnection Costs.

Payment for Direct Assignment Facilities and Reliability Upgrades shall be made by the New Facility Operator to the Interconnecting PTO pursuant to the terms of payment set forth in the Interconnection Agreement between the parties.

5.7.6 Energization.

Neither the ISO nor the Interconnecting PTO shall be obligated to energize, nor shall the New Facility Operator be entitled to have its interconnection to the ISO Controlled Grid energized, unless and until an Interconnection Agreement has been executed, or filed at FERC pursuant to Section 5.7.4.3 of this Appendix, and becomes effective and such New Facility Operator has demonstrated to the ISO's reasonable satisfaction that it has complied with all of the requirements of this Appendix.

ATTACHMENT I

ISO TARIFF APPENDIX W

Interconnection Procedures in Effect Prior to July 1, 2005 (“Amendment 39 Procedures”)

Interconnection Procedures in Effect Prior to July 1, 2005 ("Amendment 39 Procedures")

1 Applicability.

These Amendment 39 Procedures are applicable to Small Generating Facilities interconnecting to the ISO Controlled Grid and to Large Generating Facilities in accordance with Section 5.1 of the LGIP. The owner of a planned New Facility, or its designee, is referred to for purposes of this Appendix as a New Facility Operator.

2 Definitions.

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 Appendix.

2.2 Special Definitions for this Appendix.

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

Completed Application Date

For purposes of this Appendix, the date on which a New Facility Operator submits an Interconnection Application to the ISO that satisfies the requirements of the ISO Tariff and the TO Tariff of the Interconnecting PTO.

Completed Interconnection Application

An Interconnection Application that meets the information requirements as specified by the ISO and posted on the ISO Home Page.

Data Adequacy Requirement

Any applicable minimum data requirements of the state agency responsible for generation siting or of any Local Regulatory Authority.

Delivery Upgrade

The transmission facilities, other than Direct Assignment Facilities and Reliability Upgrades, necessary to relieve constraints on the ISO Controlled Grid and to ensure the delivery of energy from a New Facility to Load.

Designated Contact Person

The person designated by each Participating TO to coordinate with the ISO on the processing and completion of all Interconnection Applications.

Direct Assignment Facility	The transmission facilities necessary to physically and electrically interconnect a New Facility Operator to the ISO Controlled Grid at the point of interconnection.
Expedited Interconnection Agreement	A contract between a party which has submitted a Request for Expedited Interconnection Procedures and an Interconnecting PTO under which the ISO and an Interconnecting PTO agree to process, on an expedited basis, the Interconnection Application of a New Facility Operator and which sets forth the terms, conditions, and cost responsibilities for such interconnection.
Good Faith Deposit	The deposit paid to the ISO by a New Facility Operator with submission of its Interconnection Application in accordance with Section 3.2 of this Appendix, in an amount equal to \$10,000, including any interest that accrues on the original amount, less any bank fees or other charges assessed on the escrow account. A New Facility Operator may satisfy its deposit obligation through any commercially available financial instrument determined to be satisfactory by the ISO.
Interconnecting PTO	For purposes of this Appendix, the Participating TO that will supply the connection to the New Facility.
Interconnection Application	An application that requests interconnection of a New Facility to the ISO Controlled Grid and that meets the information requirements as specified by the ISO and posted on the ISO Home Page.
New Facility	A planned or Existing Generating Unit that requests, pursuant to this Appendix, to interconnect or modify its interconnection to the ISO Controlled Grid.
New Facility License	A license issued by a federal, state or Local Regulatory Authority that enables an entity to build and operate a Generating Unit.
New Facility Operator	The owner of a planned New Facility, or its designee.
Planning Procedures	Procedures governing the planning, expansion and reliable interconnection to the ISO Controlled Grid that the ISO may, from time to time, develop.
Reliability Upgrade	The transmission facilities, other than Direct Assignment Facilities, beyond the first point of interconnection necessary to interconnect a New Facility safely and reliably to the ISO Controlled Grid, which would not have been necessary but for the interconnection of a New Facility, including network upgrades necessary to remedy short circuit or stability problems resulting from the interconnection of a New Facility to the ISO Controlled Grid. Reliability Upgrades also include, consistent with WSCC practice, the facilities necessary to mitigate any adverse impact a New Facility's interconnection may have on a path's WSCC path rating.

Request for Expedited

Issued by: Charles F. Robinson, Vice President and General Counsel
Issued on: August 30, 2005

Effective: July 1, 2005

Interconnection Procedures A written request, submitted pursuant to Section 3.1.1 of this Appendix, by which a New Facility Operator can request expedited processing of its Interconnection Application.

System Impact Study An engineering study conducted to determine whether a New Facility Operator's request for interconnection to the ISO Controlled Grid would require new transmission additions, upgrades or other mitigation measures.

3 Interconnection Application.

Unless the New Facility Operator has submitted a Completed Interconnection Application to the ISO prior to July 1, 2005, any New Facility Operators shall submit two copies of a Completed Interconnection Application to the ISO in the form specified by the ISO. The ISO will date stamp all copies of the Interconnection Application, retain one executed copy, and, within 1 Business Day, send the other copy to the Designated Contact Person of the Interconnecting PTO. Within 10 Business Days after the Interconnecting PTO receives an Interconnection Application, the ISO and the Interconnecting PTO shall determine whether the application is complete and the ISO will notify the New Facility Operator that its Interconnection Application is complete; or, in the event that the ISO, in consultation with the Interconnecting PTO, determines that the Interconnection Application is incomplete, the ISO will notify the New Facility Operator of the deficiencies or omissions in its application.

3.1 Expedited Procedures For New Facilities.

A New Facility Operator may submit a Request for Expedited Interconnection Procedures in accordance with Section 3.1.1 of this Appendix. The ISO will develop and post on the ISO Home Page the Planning Procedures applicable to such expedited processing of Interconnection Applications.

3.1.1 Request for Expedited Interconnection Procedures.

- (a) If it elects to expedite processing of its Completed Interconnection Application, a New Facility Operator shall submit a Request for Expedited Interconnection Procedures within 10 Business Days after receiving a copy of the System Impact Study for the proposed

- interconnection. The request should be submitted in writing to the ISO and the Interconnecting PTO.
- (b) Within 10 Business Days after receiving a Request for Expedited Interconnection Procedures, the ISO and Interconnecting PTO shall provide to applicant the results of any studies required in addition to the System Impact Study, and shall tender an Expedited Interconnection Agreement that requires the applicant to compensate the Interconnecting PTO for all costs reasonably incurred pursuant to the terms of the ISO Tariff and the Interconnecting PTO's applicable TO Tariff for processing the Completed Interconnection Application and providing the requested interconnection.
- (c) Concurrent with the provision, by the ISO and the Interconnecting PTO, of the studies referenced in subsection b, above, the Interconnecting PTO and the ISO shall provide to applicant their best estimate of the cost of any needed Direct Assignment Facilities and Reliability Upgrades, Delivery Upgrades, if requested by the New Facility Operator, and other costs that may be incurred in processing the Interconnection Application and providing the requested interconnection, however, unless otherwise agreed by the ISO, and the Interconnecting PTO, and the applicant, such cost estimate shall not be binding and the New Facility Operator shall compensate the ISO and the Interconnecting PTO for all actual interconnection costs reasonably incurred pursuant to the provisions of this Appendix and the Interconnecting PTO's TO Tariff.
- (d) The New Facility Operator shall execute and return to the Interconnecting PTO, with a copy to the ISO, such Expedited Interconnection Agreement within 10 Business Days of its receipt or the New Facility Operator's Interconnection Application will be deemed withdrawn. In that event, the New Facility Operator shall reimburse the ISO and the Interconnecting PTO for all costs reasonably incurred in the processing of the Interconnection Application, including the Request for Expedited Interconnection.

3.2 Good Faith Deposit.

- (a) Each New Facility Operator that submits an Interconnection Application will on the date of submission also provide a Good Faith Deposit to the ISO. The ISO shall hold the Good Faith Deposit in trust for each applicant in a separate, interest-bearing account.
- (b) The ISO shall refund the Good Faith Deposit, with accrued Interest, in the event that:
 - (i) The ISO determines that the New Facility is not responsible for any interconnection costs, other than study costs; or
 - (ii) The applicant withdraws its Interconnection Application or its Interconnection Application is deemed withdrawn.

3.3 Posting of Interconnection Applications and Non-disclosure.

The ISO will maintain on its OASIS site an updated list of all pending Interconnection Applications. As soon as practicable after the ISO receives a Completed Interconnection Application, the ISO will post the nearest substation, the capacity (MW) of the New Facility and the year the New Facility is proposed to begin operations. At the time it submits its Interconnection Application, a New Facility Operator may request in writing that the ISO and Interconnecting PTO not publicly disclose the identity of such New Facility Operator. Upon such request, the ISO and Interconnecting PTO will not disclose the identity of the applicant while its Interconnection Application is pending, unless disclosure is permitted under Section 20.3.1 of the ISO Tariff or in the event that an applicant's identity becomes otherwise publicly known.

4 Interconnection.

4.1 Detailed Planning Procedures.

The provisions set forth in this Appendix shall govern the interconnection of New Facilities to the ISO Controlled Grid, including the costs of such interconnection. The ISO shall also maintain on the ISO Home Page detailed Planning Procedures and interconnection standards for all such interconnections.

4.2 Studies.

- (a) Except as provided in Section 4.2(d) of this Appendix, for each Completed Interconnection Application, the ISO will direct the Interconnecting PTO to perform the required System Impact Study and Facility Study, and any additional studies the ISO determines to be reasonably necessary.
- (b) The Interconnecting PTO will complete or cause to be completed all studies directed by the ISO within the timelines provided in this section. Any studies performed by the ISO or by a third party at the direction of the ISO shall also be completed within the timelines provided in this section.
- (c) Each New Facility Operator shall pay the reasonable costs of all System Impact and Facility Studies performed by or at the direction of the ISO or the Interconnecting PTO, and any additional studies the ISO determines to be reasonably necessary in response to the *Interconnection Application*, including any iterative study costs required for other New Facility Operator's that have established a new queue position due to the New Facility Operator either withdrawing its Interconnection Application or because its queue position has been modified pursuant to the procedures in Section 4.4 of this Appendix. A New Facility Operator shall also pay the reasonable cost of Interconnecting PTO review of any System Impact Study or Facility Study that is performed by a New Facility Operator or its designee pursuant to subsection (d).
- (d) A New Facility Operator may perform its own System Impact Study and Facility Study, or contract with a third party to perform the System Impact Study and Facility Study, and shall so notify the ISO and the Interconnecting PTO of this election at the time it submits its Interconnection Application. Any such study or studies performed by a New Facility Operator or third party must be completed within the timelines identified in Sections 4.2.1 and 4.2.2 of this Appendix. To the extent that the ISO and Interconnecting PTO disagree on the adequacy of the New Facility Operator or third party-sponsored study, the ISO will determine the adequacy of the study, subject to the ISO's ADR Procedures. The ISO and Interconnecting PTO shall complete their review of the New Facility Operator's study

within 30 calendar days of receipt of the completed study. The results of any study or studies performed by a New Facility Operator or third party must be approved by both the ISO and the Interconnecting PTO.

4.2.1 System Impact Study Procedures.

Within 10 Business Days after receiving a Completed Interconnection Application by the Interconnecting PTO, the ISO and the Interconnecting PTO will determine, on a non-discriminatory basis, whether a System Impact Study is required. The ISO and the Interconnecting PTO will make such determination based on the ISO Grid Planning Criteria and the transmission assessment practices outlined in the ISO Planning Procedures posted on the ISO Home Page. The ISO and Interconnecting PTO will utilize, to the extent possible, existing transmission studies. The System Impact Study will identify whether any Direct Assignment Facilities and Reliability Upgrades are needed, as well as, if requested by the New Facility Operator, any Delivery Upgrades necessary to deliver a New Facility's full output over the ISO Controlled Grid. The System Impact Study will also identify any adverse impact on Encumbrances existing as of the Completed Application Date.

If the ISO and the Interconnecting PTO determine that a System Impact Study is necessary, the Interconnecting PTO shall within 20 Business Days of receipt of Completed Interconnection Application, tender a System Impact Study Agreement that defines the scope, content, assumptions and terms of reference for such study, the estimated time required to complete it, and pursuant to which the applicant shall agree to reimburse the Interconnecting PTO for the reasonable actual costs of performing the required study. The New Facility Operator shall execute the System Impact Study Agreement and return it to the Interconnecting PTO within 10 Business Days, together with payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the System Impact Study. Alternatively, a New Facility Operator can request that the Interconnecting PTO proceed with the System Impact Study and abide by the terms, conditions, and cost assignment of the System Impact Study Agreement as determined

through the ISO ADR Procedures, provided that such request is accompanied by payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the System Impact Study. If a New Facility Operator elects neither to execute the System Impact Study Agreement nor to rely upon the ISO ADR Procedures, such New Facility Operator's Completed Application will be deemed withdrawn. If the New Facility Operator's application is deemed withdrawn, the New Facility Operator will compensate the Interconnecting PTO for all reasonable costs incurred to that date in processing the Completed Interconnection Application.

The Interconnecting PTO will use due diligence to complete the System Impact Study within 60 calendar days of receipt of payment and the System Impact Study Agreement or initiation of the ISO ADR Procedures. If the Interconnecting PTO cannot complete the System Impact Study within 60 calendar days, the Interconnecting PTO will notify the New Facility Operator, in writing, of the reason why additional time is required to complete the required study and the estimated completion date.

4.2.2 Facility Study Procedures.

If a System Impact Study indicates that additions or upgrades to the ISO Controlled Grid are needed to satisfy a New Facility Operator's request for interconnection, the Interconnecting PTO shall, within 15 Business Days of the completion of the System Impact Study, tender to a New Facility Operator a Facility Study Agreement that defines the scope, content, assumptions and terms of reference for such study, the estimated time to complete the required study, and pursuant to which the applicant agrees to reimburse the Interconnecting PTO for the actual costs of performing the required Facility Study. The New Facility Operator shall execute the Facility Study Agreement and return it to the Interconnecting PTO within 10 Business Days, together with payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the Facility Study. Alternatively, a New Facility Operator may request that the Interconnecting PTO proceed with the Facility Study and abide by the terms, conditions, and cost assignment of the Facility Study Agreement ultimately determined through the ISO ADR Procedures, provided that

such request is accompanied by payment for the reasonable estimated cost, as provided by the Interconnecting PTO, of the Facility Study. If a New Facility Operator elects either to not execute the Facility Study Agreement or to rely upon the ISO ADR Procedures, such New Facility Operator's Completed Application will be deemed withdrawn. If the New Facility Operator's application is deemed withdrawn, the New Facility Operator will compensate the Interconnecting PTO for all reasonable costs incurred to that date in processing the Completed Application. The Interconnecting PTO will use due diligence to complete the Facility Study within 60 calendar days of receipt of payment and the Facility Study Agreement or initiation of the ISO ADR Procedures. If the Interconnecting PTO cannot complete the Facility Study within 60 calendar days, the Interconnecting PTO will notify the New Facility Operator, in writing, of the reason why additional time is required to complete the required study and the estimated completion date. A New Facility Operator shall be entitled to amend its Completed Interconnection Application once without losing its queue position. Such amendment shall occur on or before 10 Business Days following the Date the Interconnecting PTO tenders a Facility Study Agreement. Specifically, as an alternative to executing and returning a Facility Study Agreement, a New Facility Operator may submit an amendment to its Completed Interconnection Application to reflect a revised configuration for its New Facility. The amended Completed Interconnection Application shall be treated in accordance with Section 4.2.1 of this Appendix and the New Facility Operator's Completed Interconnection Application shall not be deemed withdrawn, and it shall maintain its exiting queue position, if (a) the amended Completed Interconnection Application is received by the Interconnecting PTO within 10 Business Days of the Interconnecting PTO's tender of a Facility Study Agreement; and (b) the New Facility Operator has not submitted a previous amendment to the Completed Interconnection Application. In the event a New Facility Operator amends its Completed Interconnection Application, it will be responsible for any additional study costs that result from that amendment, including costs associated with revisions to studies for other applicants holding later queue positions.

4.3 Execution of Interconnection Agreement.

Following completion of the Facilities Study, a New Facility Operator proposing to interconnect a Large Generating Facility shall continue the interconnection process in accordance with Section 11.2 of the LGIP. Within 10 Business Days of receipt of a completed Facility Study, a New Facility Operator proposing to interconnect a Small Generating Facility shall request the Interconnecting PTO to provide to such applicant an Interconnection Agreement. The Interconnecting PTO shall provide an Interconnection Agreement to an applicant within 30 Business Days of receipt of the request for an Interconnection Agreement. If the ISO and Interconnecting PTO determine, pursuant to Sections 4.2.1 and 4.2.2 of this Appendix, that either:

- (a) a New Facility Operator's Interconnection Application can be accommodated and that such New Facility Operator will not incur costs for Reliability Upgrades, the New Facility Operator shall execute the Interconnection Agreement within 10 Business Days of receipt of the Interconnection Agreement; or
- (b) a New Facility Operator's Interconnection Application will necessitate Reliability Upgrades, the New Facility Operator shall execute the Interconnection Agreement within 30 Business Days of receipt of the Interconnection Agreement or, if a New Facility Operator and the Interconnecting PTO are unable to agree on the rates, terms and conditions of the Interconnection Agreement, the New Facility Operator may request that the Interconnecting PTO file an unexecuted Interconnection Agreement at FERC. If a New Facility Operator does request that the Interconnecting PTO file an unexecuted Interconnection Agreement at FERC, the New Facility Operator shall agree to abide by the rates, terms and conditions of such Interconnection Agreement ultimately determined by FERC to be just and reasonable.

4.4 Queuing.

- (a) The ISO and Interconnecting PTO will process all Interconnection Applications based on the New Facility's Completed Application Date.

- (b) The queue position for each New Facility that has submitted an Interconnection Application will be established according to the Completed Application Date and the New Facility's compliance with the milestones set forth in Section 4.4.1 of this Appendix.
- (c) For any New Facility Operator that submitted a request to interconnect to a Interconnecting PTO prior to June 1, 2002 (the effective date of the Amendment 39 Procedures), such New Facility Operator's position in the queue will be based on its Completed Application Date as that term was defined in the Interconnecting PTOs TO Tariff in effect at the time the New Facility Operator submitted a request to interconnect to the Interconnecting PTO.

4.4.1 Queuing Milestones.

- (a) To maintain its queue position, each New Facility Operator must timely comply with the requirements of the ISO Tariff and the TO Tariff of the Interconnecting PTO and must, within 6 months of its Completed Application Date, satisfy all applicable Data Adequacy Requirements of state and local siting and other regulatory authorities. Any New Facility Operator not subject to state siting requirements must satisfy the information requirements set forth in 18 C.F.R. § 2.20. The ISO will permit a New Facility Operator to retain its queue position if such New Facility Operator requests an extension of the six-month period at least 5 Business Days prior to the expiration of such period. Such extension will be limited to one period of 30 Business Days and additional extensions shall not be granted. A New Facility Operator that does not maintain its queue position, but later satisfies the Data Adequacy Requirements, or the requirements of 18 C.F.R. § 2.20 if applicable, will be placed in a queue position comparable to that of other New Facility Operators that have satisfied the Data Adequacy Requirements, or the requirements of 18 C.F.R. § 2.20, as of the same date. At that time, the ISO and the Interconnecting PTO will determine whether a new System Impact Study must be performed based on the revised queue position of such New Facility Operator.

- (b) Upon satisfaction of the Data Adequacy Requirements, or the requirements of 18 C.F.R. § 2.20 if applicable, each New Facility Operator, in order to maintain its queue position, must obtain a New Facility License within 15 months after satisfying the Data Adequacy Requirements. A New Facility Operator that does not obtain a New Facility License within the allowed time and does not maintain its queue position, but later obtains a New Facility License, will be placed in a queue position comparable to other New Facility Operators that have satisfied comparable milestones as of that date.
- (c) Any New Facility whose New Facility License or building permit expires or is rescinded will not maintain its queue position.
- (d) A New Facility Operator that has submitted a dispute under Article 13 of the ISO Tariff regarding any part of this Appendix may request that the presiding judge, arbitrator, or mediator of the dispute suspend its obligation to meet milestones in order to maintain its queue position. In the event such a suspension is granted, the New Facility Operator must satisfy the missed milestones specified in this Section 4.4.1 of this Appendix within 30 calendar days of the date the decision on the dispute becomes final.

4.5 Coordination of Critical Protective Systems.

New Facility Operators shall coordinate with the ISO, Participating TOs and UDCs to ensure that a New Facility Operator's Critical Protective Systems, including relay systems, are installed and maintained in order to function on a coordinated and complementary basis with ISO Controlled Grid Critical Protective Systems and the protective systems of the Participating TOs and UDCs. The ISO and Participating TOs will make available all information necessary for a New Facility Operator to determine whether its Critical Protective Systems are compatible with those of the ISO, Participating TOs and UDCs. The ISO and New Facility Operators shall also coordinate with entities that own, operate or control facilities outside of the ISO Controlled Grid to ensure that a New Facility's Critical Protective Systems function on a coordinated and complementary basis with such entities Critical Protective Systems.

5 Cost Responsibility of New Facility Operators.

- (a) Each New Facility Operator shall pay the costs of required studies in accordance with Section 4.2 of this Appendix and the costs identified in this Section 5. The ISO and Interconnecting PTO will provide each New Facility Operator an estimate of its total cost responsibility under this Section. A New Facility Operator shall be responsible for the actual costs of all Direct Assignment Facilities and Reliability Upgrades necessitated by its Completed Interconnection Application. The Interconnecting PTO will provide each New Facility Operator a detailed record of the actual costs assessed to it under this Section. A New Facility Operator may request the Interconnecting PTO to provide any additional information reasonably necessary to audit the actual costs the New Facility Operator is assessed.
- (b) The ISO and Interconnecting PTO will process all Interconnection Applications, and determine the cost responsibility of each New Facility Operator based on the New Facility Operator's Completed Application Date or, if applicable, based on the queue position determined by the procedure described in Section 4.4.1(b) of this Appendix. The ISO and Interconnecting PTO will process simultaneously all interconnection requests with the same Completed Application Date.
- (c) Each New Facility Operator shall pay the costs of planning, installing, operating and maintaining the following facilities: (i) Direct Assignment Facilities, and, if applicable, (ii) Reliability Upgrades. In addition, each New Facility Operator shall implement all existing operating procedures necessary to safely and reliably connect the New Facility to the facilities of the Interconnecting PTO and to ensure the ISO Controlled Grid's conformance with the ISO Grid Planning Criteria, and shall bear all costs of implementing such operating procedures. The New Facility Operator shall be responsible for the costs of Reliability Upgrades only if the necessary facilities are not included in the ISO Controlled Grid Transmission Expansion Plan approved as of the New Facility Operator's Completed Application Date, or the date for the installation of a facility is advanced by the interconnection of the New Facility, in which case the New Facility Operator shall be

responsible only for the incremental costs associated with the earlier installation of the facility.

- (d) Each New Facility Operator may, at its own discretion, sponsor, pursuant to Section 3.2 of the ISO Tariff, any Delivery Upgrades.

5.1 Maintenance of Encumbrances.

No New Facility shall adversely affect the ability of the Interconnecting PTO to honor its Encumbrances existing as of the time a New Facility submits its Interconnection Application to the ISO. The Interconnecting PTO, in consultation with the ISO, shall identify any such adverse effect on its Encumbrances in the System Impact Study performed under Section 4.2.1 of this Appendix. To the extent the Interconnecting PTO determines that the connection of the New Facility will have an adverse effect on Encumbrances, the New Facility Operator shall mitigate such adverse effect.

5.2 Settlement of Interconnection Costs.

Payment for Direct Assignment Facilities and Reliability Upgrades shall be made by the New Facility Operator to the Interconnecting PTO pursuant to the terms of payment set forth in the Interconnection Agreement between the parties.

6 Energization.

Neither the ISO nor the Interconnecting PTO shall be obligated to energize, nor shall the New Facility Operator be entitled to have its interconnection to the ISO Controlled Grid energized, unless and until an Interconnection Agreement has been executed, or filed at FERC pursuant to Section 4.3 of this Appendix, and becomes effective and such New Facility Operator has demonstrated to the ISO's reasonable satisfaction that it has complied with all of the requirements of this Appendix.

ATTACHMENT J

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System
Operator Corporation

Docket No. ER04-445-_____

NOTICE OF FILING

(_____)

Take notice that on August 30, 2005, the California Independent System Operator Corporation (ISO), pursuant to the Federal Energy Regulatory Commission's July 1, 2005 "Order Accepting in Part and Rejecting in Part Order Nos. 2003, 2003-A, and 2003-B Compliance Filings," 112 FERC ¶ 61,009 (2005), its June 16, 2005 "Order on Rehearing," 111 FERC ¶ 61,401 (2005), and its August 26, 2005 "Order Granting Extension of Time and Motion for Clarification and Denying Request Rehearing," 112 FERC ¶ 61,231 (2005), submitted for filing interim Standard Large Generator Interconnection Procedures and related study agreements, and interim procedures applicable to Small Generating Facilities, for incorporation into the ISO Tariff, along with other proposed modifications to the ISO Tariff.

Any person desiring to intervene or to protest this filing should file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. All such motions or protests should be filed on or before the comment date, and, to the extent applicable, must be served on the applicant and on any other person designated on the official service list. This filing is available for review at the Commission or may be viewed on the Commission's web site at <http://www.ferc.gov>, using the eLibrary (FERRIS) link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll-free at (866)208-3676, or for TTY, contact (202)502-8659. Protests and interventions may be filed electronically via the Internet in lieu of paper; see 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link. The Commission strongly encourages electronic filings.

Comment Date: