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November 1, 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 long-term Standard Large Generator Interconnection Procedures ("LGIP"), incorporating a new centralized Interconnection Study process for Large Generating Facility interconnections to the ISO Controlled Grid, for Commission approval and inclusion in the ISO Tariff.¹ Concurrent with this filing, the ISO is also jointly filing with the affected Participating

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").

Transmission Owners ("PTOs")² a long-term version of 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.

I. BACKGROUND

A. July 1 Order and Request for Extension

In the July 1 Order, the Commission addressed 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, pursuant to Order Nos. 2003, 2003-A, and 2003-B. Therein, the Commission, reviewing the filings under the "independent entity variation" standard, approved most of the ISO and PTOs' proposed modifications to the Commission's pro forma LGIP and LGIA. The Commission also rejected certain changes, and required an additional compliance filing incorporating the July 1 Order. One of the elements of the LGIP and LGIA filings rejected by the Commission was the ISO and PTOs' proposal to have the PTOs continue to separately conduct the various Interconnection Studies. 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 in a manner that examines the effect of the interconnection and additional generation on the ISO Controlled Grid as a whole. The Commission explained that "[a] centralized study process ensures that the studies are coordinated to assess the impact of new generation beyond a single service territory, with the intent of maintaining or improving reliability levels and generally improving electric service." *Id.* at P 55. The Commission directed the ISO to make a conforming compliance filing within 60 days of the date of the July 1 Order, including changes necessary to implement the centralized study process directed by the Commission.

The PTOs filed a joint request for rehearing and clarification of the July 1 Order ("PTO Rehearing"), arguing, among other things, that the Commission had an inadequate legal and evidentiary basis to mandate transfer of the Interconnection Study function from the PTOs to the ISO. The PTOs also requested several points of clarification regarding implementation of the centralized study function. 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

² The PTOs that have been active in the LGIP / LGIA process have been the FERC-jurisdictional PTOs, Southern California Edison Company ("SCE"), Pacific Gas and Electric Company ("PG&E"), and San Diego Gas & Electric Company ("SDG&E").

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.

B. August 26 Order and Subsequent Filings

On August 26, 2005, the Commission issued an order³ granting a six-week extension of time for the ISO and PTOs to file an LGIP incorporating the centralized Interconnection Study process, thus making that compliance filing due on October 14, 2005. In the August 26 Order, the Commission also clarified several aspects of the July 1 Order's directive regarding the centralized study process. First, the Commission stated that the ISO should collaborate with interested stakeholders, including the PTOs, in developing its centralized study process proposal. With respect to the PTOs' role in the study process itself, the Commission clarified that the PTOs may participate in the Interconnection Studies under the centralized process, but that such participation should generally be limited to areas where either the PTOs have very specific and nontransferable expertise or data and it is determined that it is most efficient and cost effective for the PTOs rather than ISO to conduct those studies. The Commission also stated that the centralized study process must allow for appropriate expert review from sources available to the ISO "to ensure an independent review of the results of the studies conducted by the PTOs." *Id.* at P 21. The Commission found that if the ISO does physically conduct Interconnection Studies, the PTOs should have adequate review and recommendation rights under the centralized study process. The Commission, however, denied the request for rehearing insofar as it sought to retain a "consent right" on the part of the PTOs with respect to the study function. *Id.* at P 22. In addition, the Commission concluded that disputes under the centralized process may be resolved under the ISO's dispute resolution process.⁴ Because the Commission had "grant[ed] the requested clarifications," the Commission declined to address the "alternative requests for rehearing," except as noted above.

On October 12, 2005, the ISO, with the support of the PTOs, filed a request to extend until November 1, 2005, the deadline for making the compliance filing reflecting the incorporation into the LGIP and LGIA of the centralized study process. The ISO explained that additional time was necessary to finalize an agreement that would govern the division of responsibilities between the ISO and the PTOs under the new centralized process, and to obtain review and approval of this agreement by their respective managements. The Commission granted this motion in an order issued on October 14, 2005.

³ 112 FERC ¶ 61,231 (2005) ("August 26 Order").

⁴ August 26 Order at PP 20-22.

Thereafter, on October 18, 2005, PG&E timely filed a petition for judicial review of the Commission's orders. *Pacific Gas and Electric Company v. FERC*, U.S. Court of Appeals for the District of Columbia Circuit, Case No. 05-1401 (filed October 18, 2005).

II. CONTENTS OF FILING

This filing comprises:

This Transmittal Letter

- | | |
|--------------|--|
| Attachment A | LGIP Tariff Language Blacklined Against LGIP filed on August 30, 2005 |
| Attachment B | LGIP Study Agreements Blacklined Against LGIP Study Agreements filed on August 30, 2005 |
| Attachment C | LGIP Tariff Sheets Clean, including Study Agreements |
| Attachment D | Three versions of the Agreement for the Allocation of Responsibilities with Regard to Large Generator Interconnection Procedures and Interconnection Study Agreements ("R&R Agreement"), which are textually identical, but, pursuant to Order No. 614, are formatted as rate schedules of SCE, SDG&E, and the ISO. ⁵ |

III. COMMUNICATIONS

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

⁵ SCE and SDG&E have consented to the ISO's filing of this R&R Agreement on their behalf. However, PG&E has advised the ISO that it will execute the R&R Agreement and provide the applicable tariff sheets should the Commission approve its "Offer of Settlement" to be filed in the applicable dockets on November 2, 2005.

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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 and August 26 Orders, which required the ISO to submit a compliance filing to implement a new centralized study process. Included with the instant filing is the long-term *pro forma* LGIP to be incorporated into the ISO Tariff, amended to include the new centralized study process. The ISO is also including the various study agreements, updated to reflect the implementation of the new centralized study process. Finally, the ISO is submitting as part of this filing a proposed additional, separate agreement identified above as the "R&R Agreement." The R&R Agreement, as explained in detail below, provides for the specific division of roles and responsibilities between the ISO and PTOs with respect to the completion of the various Interconnection Studies in a manner consistent with the objectives of the July 1 Order and subsequent clarifications in the August 26 Order.

The ISO has used the interim LGIP and study agreements that it filed on August 30, 2005 as the baseline against which the changes proposed herein are reflected. Included as Attachments A and B respectively, are blackline sheets showing each proposed change from the LGIP and study agreements filed on August 30, 2005.

B. Stakeholder Process

Consistent with the Commission's directive in the August 26 Order that the ISO collaborate with interested stakeholders in developing the centralized study process, the revisions to the LGIP proposed herein were developed through an intensive stakeholder process conducted by the ISO over the past two months. Specifically, the ISO held two full stakeholder meetings, in which a variety of stakeholders participated, including both transmission and generation owners. In order that stakeholders would be best prepared for these meetings, the ISO distributed various documents in advance of these two meetings, including drafts of the long-term LGIP, LGIA and study agreements. At these meetings, the ISO explained to stakeholders the rationale for the revisions reflected in these documents and fielded numerous questions from stakeholders. The ISO believes that this stakeholder process has been successful in creating a robust, practical, and efficient centralized study process that will benefit all segments of the ISO market.

In addition, in order to facilitate development of the long-term LGIP, LGIA, study agreements, and R&R Agreement, the ISO and PTOs continued to use the intensive negotiations process, consisting of bi-weekly conference calls and numerous face-to-face all day meetings at the ISO, that resulted in unanimous agreement on almost all aspects of the LGIP and LGIA filings. And once again, through the dedication and hard work of their respective staffs, the ISO and PTOs have reached agreement on the elements of the present LGIP and LGIA filings, including the new R&R Agreement.⁶

C. Changes to the LGIP and Interconnection Study Agreements to Implement the Centralized Study Process

The ISO has made numerous changes to the interim LGIP that it filed on August 30, 2005, in order to implement the centralized study process required by the Commission in the July 1 and August 26 Orders.

Importantly, under the proposed LGIP, including the Interconnection Study agreements, studies for Large Generating Facility interconnections to the ISO Controlled Grid will be centralized, with the ISO as a single point of contact for the Interconnection Customer. In compliance with the July 1 Order, the ISO will execute the Interconnection Study agreements, collect funds, and coordinate, oversee, and approve all aspects of the Interconnection Studies. The ISO will also examine each interconnection to determine if it impacts more than one PTO's service territory, and, if it does, the ISO will ensure that the relevant Interconnection Study will examine the entire ISO Controlled Grid. Moreover, although the process will require additional coordination among the ISO and the PTOs, the ISO is not proposing to add any additional time to complete the studies from that set forth in the interim LGIP. As the Commission has

⁶ As noted above, PG&E challenges foundational elements of the July 1 Order. However, PG&E agrees with the ISO and other PTOs that the LGIP, LGIA, and R&R Agreement establish an appropriate centralized study process.

recognized, the PTOs, as owners of their respective transmission systems, have a paramount interest in ensuring the safety and reliability of the ISO Controlled Grid. The PTOs also have decades of knowledge, experience and engineering expertise regarding their respective systems. Thus, the centralized study process strikes an appropriate balance between the ISO's primary and independent role in conducting the Interconnection Studies and evaluating grid-wide impacts and solutions and the PTOs' ownership interest in and specialized knowledge of their respective portions of the ISO Controlled Grid.

The basic structure of the new centralized study process is delineated in Section 3.2 of the LGIP. The ISO proposes to amend this Section to provide that each Interconnection Request will be subject to the direction and oversight of the ISO, and that the ISO, rather than the PTOs, will conduct or cause to be performed the required Interconnection Studies. Section 3.2 also provides that the ISO will direct the PTOs to perform portions of studies where the ISO and the PTOs have concluded in advance that the PTOs have specific and non-transferable expertise or data and can conduct those portions of the studies more efficiently and cost effectively than the ISO. This language is consistent with the Commission's July 1 and August 26 Orders, which required a study process managed and controlled by the ISO, while recognizing that the PTOs may participate in the Interconnection Studies.

As noted in the proposed change to Section 3.2(c), more detailed guidance on the specific division of roles and responsibilities between the ISO and PTOs for conducting the Interconnection Studies is set forth in the R&R Agreement, which the ISO intends to enter into with the three PTOs, and which is included as part of this filing. Setting forth the roles and responsibilities of the ISO and PTOs in a separate agreement is consistent with the Commission's ruling in *Southwest Power Pool*, 106 FERC ¶ 61,254 (2004), in which the Commission recognized that the *pro forma* LGIP and Interconnection Study agreements do not allocate responsibilities for provision of interconnection service between transmission owners and transmission providers, and suggested that those parties enter into an agreement in order to allocate those responsibilities. As stated in Section 3.2(c) of the long-term LGIP, the R&R Agreement, which is discussed in more detail below, will be referenced in the LGIP, and will also constitute a separate rate schedule for each of the PTOs and the ISO.

The ISO is proposing numerous additional changes to conform the remainder of the text of the LGIP to this new structure under which the ISO directs and controls the Interconnection Study process. The majority of these revisions are largely mechanical in nature, in that they involve only the insertion of a reference to the ISO and/or removal of a reference to a PTO or PTOs, in order to clarify the new division of responsibilities between these entities, consistent with the discussion above. Certain other specific modifications are discussed below:

3.2(d) – Roles and Responsibilities

In addition to the changes to Section 3.2 discussed above, the ISO is also proposing to amend Section 3.2(d) to provide that the Interconnection Customer will pay the actual costs of all Interconnection Studies, as well as any additional studies that the ISO determines to be reasonably necessary, and the ISO shall reimburse PTOs for the actual cost of any portion of the Interconnection Studies that the PTOs perform at the direction of the ISO. The ISO believes that this language accurately reflects the *pro forma* Interconnection Study agreements. Those agreements each require that the Interconnection Customer pay the actual costs of the Interconnection Studies. Also, given that the ISO, an independent entity, has the ultimate discretion to determine the scope of the Interconnection Studies, and whether any additional studies are necessary, Interconnection Customers will not be exposed to unreasonable costs.

3.3.2 – The Interconnection Studies

The ISO has provided additional text for clarity relative to the comprehensive outcome of the study process and the resulting information to be provided to the Interconnection Customer, specifically identifying the necessary facilities and Network Upgrades to mitigate thermal overloads and voltage violations.

3.5.4 – Scoping Meeting

Consistent with the new process by which the ISO controls and directs the interconnection studies, the ISO is proposing to amend this section of the LGIP to provide that the ISO, rather than the applicable PTO, shall establish the date for the Scoping Meeting, to which both the Interconnection Customer and the applicable PTO(s) shall be invited, and shall prepare minutes from the meeting.

The ISO is also proposing to modify Section 3.5.4 to more clearly indicate the information that the respective parties shall bring with them to the Scoping Meeting.

Finally, as an Interconnection Request may take upwards of 3 weeks or more to become a valid request, due in part to any application of cure per Section 3.5.3 or deemed withdrawn process per Section 3.8, the ISO is proposing to change this Section to indicate that the date for the Scoping Meeting shall be no later than thirty Calendar Days from the date that the ISO notifies the Interconnection Customer of a valid Interconnection Request, rather than thirty Calendar Days from the receipt thereof. This eliminates any confusion and possibility of having to schedule a Scoping Meeting immediately following a notification of a valid Interconnection Request.

3.8 – Withdrawal

The ISO is proposing to amend this section to provide that an Interconnection Customer may withdraw its Interconnection Request by notifying the ISO directly, and

the ISO will then notify the applicable PTO within three business days of receiving such a notice. The ISO is also proposing to modify Section 3.8 to state that an Interconnection Customer that withdraws its Interconnection Request will pay the ISO, rather than the applicable PTO, for all costs prudently incurred or irrevocably committed to be incurred, and the ISO will reimburse the applicable PTO for all work performed associated with the Interconnection Request done at the ISO's direction, and refund to the Interconnection Customer any deposit or payment amounts that exceed the costs incurred by the ISO or PTO(s). Both of these changes are appropriate and necessary in order to reflect the ISO's greater role in controlling the Interconnection Studies under the centralized study process, while also recognizing that the PTOs will have the right to review many of the study documents, and will generally be tasked with performing portions of the studies themselves.

4.2 – Clustering and 4.4 - Modifications

The ISO is proposing to modify Section 4.2 to remove the requirement that the ISO obtain the concurrence of the applicable PTO in determining whether to study Interconnection Requests serially or in clusters. The ISO will, however, coordinate with the applicable PTO in reaching this decision. Similarly, the ISO is proposing to modify Section 4.4.3 to state that the ISO, rather than both the ISO and the PTO, shall determine whether a proposed modification to an Interconnection Request constitutes a Material Modification. Again, the ISO will coordinate with the applicable PTO in making this determination. Both of these changes are appropriate and necessary in order to reflect the ISO's greater role in controlling the Interconnection Studies under the centralized study process.

Section 6 – Interconnection Feasibility Study

The ISO is proposing to make a number of modifications to Section 6 in order to implement the new centralized study process. Most of these modifications are made in order to reflect that the ISO, rather than the applicable PTO, shall direct and control the Interconnection Feasibility Study process. In addition, the ISO is proposing to amend Section 6.1 to state that an Interconnection Customer will specify for study the Point of Interconnection and *one* alternative Point of Interconnection, rather than "any reasonable" alternatives. The ISO is also proposing to change the time for providing the Interconnection Customer with a signed Interconnection Feasibility Study Agreement from five (5) to fifteen (15) Business Days from receipt of the Interconnection Customer's designated Point of Interconnection and alternative Point of Interconnection. This addition of 10 Business Days reflects the coordination of the interactive responsibilities of the ISO and applicable PTO for developing an appropriate study plan and preparing the Interconnection Feasibility Study Agreement with the coordinated study plan attached. Accordingly, Section 6.1 is also being modified to provide that if the Interconnection Customer, applicable PTO, and the ISO agree to forego the Interconnection Feasibility Study, the ISO will tender an Interconnection System Impact Study Agreement to the Interconnection Customer within fifteen (15) Business Days

from receipt of the Interconnection Customer's designated Point of Interconnection and alternative Point of Interconnection.

The ISO is modifying Section 6.2 to make clear, consistent with the Commission's directive, that the Interconnection Feasibility Study will evaluate the feasibility of the proposed interconnection on the entire ISO Controlled Grid, rather than just one PTO's portion of that grid.

The ISO also proposes to revise Section 6.3 and 6.4 to provide that the ISO will control the study and re-study processes, and will share the results with the applicable PTO, and any other potentially impacted PTO, and incorporate their comments, before issuing a final study.

Finally, the ISO proposes to modify Section 6.3.1 to provide that the ISO, the applicable PTO, and the Interconnection Customer shall all meet to discuss the results of the Interconnection Feasibility Study.

Section 7 – Interconnection System Impact Study

The ISO is proposing numerous revisions to the Interconnection System Impact Study provisions in order to implement the centralized study process, and, as with Section 6, most of these revisions are made in so as to reflect the fact that the ISO will direct and control the Interconnection System Impact Study process. In addition to these revisions, the ISO is proposing a number of modifications to the provisions of Section 7 that merit further mention.

First, the ISO is proposing to remove from Section 7.1 language concerning other potentially impacted PTOs, in accordance with the new centralized study process by which the studies will not be limited to a single PTO's service territory.

Second, the ISO is proposing to amend Section 7.4 to state that the ISO will coordinate Base Case development with the applicable PTO or PTOs to ensure that the Base Cases are accurately developed. Also, as with the other studies, the ISO will direct and control the Interconnection System Impact Study and re-study processes, and will share the results of these studies with the applicable PTO, and any other potentially impacted PTO, and incorporate their comments, before issuing final studies.

Finally, the ISO proposes to modify Section 7.5 to provide that the ISO, the applicable PTO, and the Interconnection Customer shall all meet to discuss the results of the Interconnection System Impact Study.

Section 8 – Interconnection Facilities Study

The ISO is proposing numerous revisions to the Interconnection Facilities Study provisions in order to implement the centralized study process, and, as with Section 6,

most of these revisions are made in so as to reflect the fact that the ISO will direct and control the Interconnection Facilities Study process. In addition to these revisions, the ISO is proposing several other modifications to the provisions of Section 8 that merit further mention.

First, the ISO is proposing to modify Section 8.1 to provide that the ISO will provide the Interconnection Customer with a signed Interconnection Facilities Study Agreement within ten (10), instead of three (3), Business Days following the Interconnection System Impact Study results meeting. This addition of seven Business Days to the schedule reflects the coordination of the interactive responsibilities of the ISO and applicable PTO for developing an appropriate facilities study plan and preparing the Interconnection Facilities Study Agreement with the coordinated study plan attached.

Second, Section 8.2 has been revised to clarify that the Interconnection Facilities Study will focus on the entire ISO Controlled Grid, rather than an individual PTO's service territory.

Third, the ISO is also proposing to revise Section 8.3 to provide that the ISO shall coordinate the Interconnection Facilities Study with the PTO, in addition to any Affected Systems. Moreover, as with the other studies, the ISO is also proposing to provide that the ISO will control the Interconnection Facilities Study and re-study processes, and will share the results of these studies with the applicable PTO, and any other potentially impacted PTO, and incorporate their comments, before issuing draft and final study reports to the Interconnection Customer. These changes affect Sections 8.3 and 8.5.

Finally, the ISO proposes to modify Section 8.4 to provide that the ISO, the applicable PTO, and the Interconnection Customer shall all meet to discuss the results of the Interconnection Facilities Study.

Section 11 – Standard Large Generator Interconnection Agreement

Because of the ISO's more central role in the Interconnection Study process, the ISO is proposing to modify Section 11.1 to provide that the ISO, in addition to the PTO, will tender a draft LGIA to an Interconnection Customer. Moreover, the ISO is also proposing to add a new Section 11.1.2, stating that, consistent with LGIP Sections 3.4.4 and 11.1.1, when a transmission system of a PTO in which the Point of Interconnection is not located is affected, such PTO shall tender a separate agreement, in the form of the LGIA, as appropriately modified.

Section 13.4 – Third Parties Performing Studies

In addition to the various changes made to generally recognize the central role of the ISO in the study process, the ISO is also proposing to amend this Section to provide that under certain circumstances, an Interconnection Customer may request that the

ISO utilize the applicable PTO, in addition to the option of utilizing a third party consultant, to perform an Interconnection Study under the direction of the ISO.

The ISO is also proposing to revise Section 13.4 to provide that if the Interconnection Customer enters into a third party Interconnection Study agreement, the Interconnection Customer shall provide that study to the ISO and the PTO for review, and such an agreement will provide for reimbursement by the Interconnection Customer of the ISO's and PTO's actual cost of participating in and reviewing the Interconnection Study. These modifications are consistent with the division of roles and responsibilities adopted in the new centralized study process, and the concept reflected throughout the LGIP that the party responsible for conducting and reviewing these studies should be compensated for costs associated therewith.

Study Agreements

The ISO is proposing a number of changes to the Interconnection Study agreements in order to reflect the new centralized study process. As with the LGIP itself, the majority of these revisions involve the insertion of a reference to the ISO and/or removal of a reference to the applicable PTO or PTOs, in order to clarify the new division of responsibilities between these entities, as discussed above. For instance, all of the Interconnection Study agreements have been modified to provide that the agreements will be entered into directly between the ISO and the Interconnection Customer. In addition, several changes have been made in order to reflect the fact that the Interconnection Studies will focus on the impact that the proposed interconnection will have on the ISO Controlled Grid as a whole, rather than an individual PTO's service territory.

Changes to Account for Financial Implications of Interconnection Requests

The ISO is proposing related changes to the LGIP and the Interconnection Study agreements to provide that the centralized study process will take account of financial impacts of an Interconnection Request beyond construction costs, such as the impact that such a request would have on Local Furnishing Bonds. These tax-exempt bonds have been utilized by SDG&E to finance its transmission system. Specifically, the ISO proposes to amend Section 6.2 of the LGIP to provide that the Interconnection Feasibility Study will describe any such financial impacts in the description of the results expected in the Interconnection System Impact Study; Section 7.3 of the LGIP to state that the Interconnection System Impact Study will include an estimate of such financial impacts; and Section 8.2 to state that the Interconnection Facilities Study shall specify and estimate financial impacts, if any, and schedule for effecting remedial measures that address such financial impacts. The ISO is also proposing conforming changes to the Interconnection Feasibility Study Agreement, the Interconnection System Impact Study Agreement, the Interconnection Facilities Study Agreement, and the Optional Interconnection Study Agreement. These changes are appropriate and should be

adopted, because they establish a clear process that will be used to identify through studies as soon as possible any financial impact on Local Furnishing Bonds that an Interconnection Request may have as well as the means and costs of addressing such impact.

C. Roles and Responsibilities Agreement

As discussed above, the specific division of roles and responsibilities between the ISO and PTOs for actually conducting the various Interconnection Studies is set forth in the R&R Agreement, which is referenced in the LGIP and constitutes a separate ISO rate schedule. The R&R Agreement is also being filed, as part of this filing, as a separate rate schedule of SCE and SDG&E, and will be filed as a separate rate schedule by PG&E subject to the conditions specified in footnote 5. Consistent with the Commission's directives in the July 1 and August 26 Orders, the R&R Agreement provides that all Interconnection Studies, whether they are performed by the ISO, a PTO, and/or a third-party contractor, must be approved by the ISO, pursuant to the procedures set forth in Attachment A to the R&R Agreement. The R&R Agreement also states that the ISO will assign responsibility for the performance of portions of the Interconnection Studies to the relevant PTOs, as set forth in Attachment A to the R&R Agreement.

Attachment A to the R&R Agreement consists of a comprehensive description of the roles and responsibilities of the ISO and PTOs with respect to each step of the new centralized study process. These roles and responsibilities may be modified only by mutual agreement of all of the parties thereto or under the "public interest" standard. The following bullet point list summarizes, generally, the allocation of roles and responsibilities as set forth in Attachment A to the R&R Agreement:

- The ISO will receive, assess and process all Interconnection Requests.
- The ISO will manage the Interconnection queue.
- The ISO will receive payments from Interconnection Customers for Interconnection Study functions.
- The ISO will disburse payments, as appropriate, to the PTOs, to reimburse the PTOs and other third-party contractors for study services that they provide.
- The ISO will facilitate Scoping Meetings.
- The ISO will provide oversight, direction, and approval of all Interconnection Feasibility, System Impact, and Facilities Studies.
- The ISO will approve all Base Cases and study plans for all Interconnection Studies, including any contingency lists to be studied.
- The ISO will ensure that all potential impacts on the ISO Controlled Grid will be studied.

- The ISO will perform the power flow, stability, and post-transient analysis associated with the Interconnection System Impact Study, and recommend solutions where the ISO determines that impacts to the ISO Controlled Grid are probable, or still unknown, based on its best engineering judgment.
- The PTOs will perform the short circuit analyses associated with the Interconnection Studies, the detailed engineering design, assessments of costs and construction scheduling, and will review the ISO's recommendations concerning the various study functions performed by the ISO.
- If no impacts to the ISO Controlled Grid or congestion issues are identified by the ISO, the PTOs will perform, under the direction and oversight of the ISO, the Interconnection System Impact and Facilities Studies, and deliver these studies to the ISO.
- The ISO will finalize and approve all Interconnection Studies.
- The ISO will deliver all Interconnection Studies to the Interconnection Customer.
- The ISO will be responsible to the Interconnection Customer for all cost inquiries and account reconciliations.

D. Interplay between LGIP and Transmission Control Agreement

During the process of developing the centralized study process, and making conforming changes to the LGIP, LGIA, and the Interconnection Study agreements, the ISO and PTOs recognized that revisions would need to be made to the Transmission Control Agreement ("TCA") so that the terms of the TCA are consistent with the new centralized study process. The ISO recognizes that there are portions of the TCA which are in conflict with the present filing, and the ISO and PTOs intend that the documents included in this filing shall control with respect to the issues directly addressed therein.

Because of the tight timeframe that the ISO and PTOs have operated under in developing the centralized study process and making the necessary changes to the LGIP, LGIA, and study agreements, the ISO has not had sufficient time to comprehensively review the TCA for necessary changes, and initiate discussions with the signatories to the TCA so as to begin the process of amending this agreement. Because significant time will likely be required to amend and file a revised TCA, the ISO does not believe that it would be appropriate to delay the implementation of the centralized study process until appropriate revisions to the TCA are made and filed with the Commission. Nevertheless, the ISO fully recognizes that such changes are necessary, and commits to initiating the process of amending the TCA in the very near future.

IV. EFFECTIVE DATE

The ISO is in the process of developing, in coordination with the PTOs, the accounting systems, procedures and associated controls required to implement a centralized Interconnection Study process as described in this compliance filing. The ISO anticipates that it will be ready to implement the centralized Interconnection Study process and provide a single point of contact for the processing of Interconnection Customer payments for Interconnection Studies on March 1, 2006. Therefore, the ISO requests that this compliance filing be effective on the date assigned by the Commission, but in any event, no sooner than March 1, 2006.

V. CONCLUSION

For the reasons set forth above, the ISO respectfully requests that the Commission accept its *pro forma* LGIP and LGIP study agreements, as revised in order to adopt the centralized study process required by the Commission in its July 1 and August 26 Orders, as well as the R&R Agreement, filed as a rate schedule of the ISO, SCE, and SDG&E.

Respectfully submitted,



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Dated: November 1, 2005

ATTACHMENT A

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

**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 ISO and/or the applicable Participating TO or ISO(s) 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 ISO(s) and the ISO is/are 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~~ ISO 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 applicable Participating TO(s), 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 and one alternative Point of Interconnection no later than the execution of the first Interconnection Feasibility Study Agreement.

3.2 Roles and Responsibilities.

- (a) ~~For each Interconnection Request will be subject of the direction and oversight of the ISO.~~ The ISO will direct the applicable Participating TO to perform conduct or cause to be performed the required Interconnection Studies and any additional studies the ISO determines to be reasonably necessary, and will direct the applicable Participating TO to perform portions of studies where the Participating TO has specific and non-transferable expertise or data and can conduct the studies more efficiently and cost effectively than the ISO. The ISO will coordinate with Affected System Operators in accordance with LGIP Section 3.7.
- (b) ~~Any applicable Participating TO~~ The ISO will complete or cause to be completed all studies directed by the ISO as required within the timelines provided in this LGIP. Any portion of the studies performed at the direction of the ISO by the ISO Participating TOs or by a third party at the direction of the ISO shall also be completed within timelines provided in this LGIP.
- (c) The ISO has entered into a Roles and Responsibilities Agreement, filed concurrently herewith and incorporated herein by reference, with the applicable Participating TOs.
- (e)(d) Each Interconnection Customer shall pay the reasonable actual 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. The ISO shall reimburse the Participating TO for the actual cost of any portion of all Interconnection Studies that such Participating TO performs at the direction of the ISO.

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 mitigate thermal overloads and voltage violations, and address short circuit, overload and stability, and reliability 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 applicable Participating TO(s) 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 valid by 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 the ISO notifies the Interconnection Customer of a valid Interconnection Request, the applicable Participating TO, in coordination with the ISO, shall establish a date agreeable to the Interconnection Customer and the applicable Participating TO(s) for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt notification 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 applicable Participating TO(s) and the ISO and the Interconnection Customer will bring to the meeting such already available technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues, as may be reasonably required to accomplish the purpose of the meeting. The Participating TO Interconnection Customer will bring to the Scoping Meeting as much large generator technical data in Attachment A to Appendix 1, and system studies previously performed, as available. The applicable Participating

TO(s), 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/ISO shall prepare minutes from the meeting, verified by the Interconnection Customer and the ISO/other attendees, that will include, at a minimum, discussions of what the Participating TO among the applicable Participating TO(s) and the ISO expect the of what the expected results of may be for 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 applicable Participating TO(s) and the ISO 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 applicable Participating TO(s) 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/ISO 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 ISO will notify the applicable Participating TO(s), within three (3) Business Days of receipt of such a notice. 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~~ ISO all costs that the ~~Participating TO~~ have been prudently ~~incurs~~ incurred or irrevocably ~~has~~ have committed to be incurred with respect to that Interconnection Request prior to the ~~Participating TO~~ ISO'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 will reimburse the applicable Participating TO(s) for all work performed associated with the Interconnection Request at the ISO's direction.

The ISO shall update the ISO Home Page Queue Position posting. The ~~Participating TO~~ ISO shall refund to the Interconnection Customer any portion of the Interconnection Customer's deposit or study payments that ~~exceed~~ exceed the costs that the ~~Participating TO~~ ISO has incurred or Participating TO(s) have 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 in coordination with ~~concurrence of~~ the applicable Participating TO(s), 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 elects~~, in coordination with applicable Participating TO(s), 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 conduct the study of 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(s) 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 applicable Participating TO(s), 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 applicable Participating TO(s), 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~~ISO, 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~~ISO, 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~~, in coordination with the affected Participating TO, shall evaluate the proposed modifications prior to making them and the ISO shall 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~~conduct or have conducted any necessary additional studies as soon as practicable, but in no event shall ~~the Participating TO and/or ISO commence~~ such studies commence 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 Change in ISO Operational Control.

If the Participating TO transfers ISO no longer has control of ~~its~~ the portion of the ISO Controlled Grid to a successor Participating TO at the Point of Interconnection during the period when an Interconnection Request is pending, the original Participating TO ISO shall transfer to the successor applicable Participating TO which has ownership of the Point of Interconnection 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~~ ISO shall coordinate with the ~~successor~~ applicable Participating TO and ISO ~~which has ownership of the Point of Interconnection~~ to complete any Interconnection Study, as appropriate, that the ~~original Participating TO~~ ISO has begun but has not completed. If the ~~original Participating TO~~ ISO has tendered a draft LGIA to the Interconnection Customer but the Interconnection Customer has ~~not either~~ neither 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~~ applicable Participating TO and the ISO ~~which has the ownership of the Point of Interconnection~~.

Section 6. Interconnection Feasibility Study.

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request, the ~~applicable Participating TO~~ ISO shall provide to the Interconnection Customer an pro forma Interconnection Feasibility Study Agreement. The pro forma 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 one~~ alternative Point(s) of Interconnection. Within ~~five~~ fifteen (15) Business Days following the ~~applicable Participating TO~~ ISO's receipt of such designation, the ~~Participating TO~~ ISO, in coordination with the ~~ISO~~ Participating TO 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~~ ISO 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~~ ISO, the Interconnection Customer shall provide to the ~~Participating TO and the ISO~~ the ~~valid~~ 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(s)~~ and 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 ISO, applicable Participating TO, ISO(s) and Interconnection Customer cannot agree on the substituted Point of Interconnection, then the Interconnection Customer may direct that ~~one of the alternatives~~ alternative 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 ~~the~~ ISO agree to forgo the Interconnection Feasibility Study, the ~~applicable Participating TO~~ ISO will tender an Interconnection System Impact Study Agreement within fifteen (15) Business Days

from receipt of the Interconnection Customer's designated Point of Interconnection and alternative, 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 TOs' portion of the ISO Controlled Grid and a non-binding good faith estimate of cost and 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 and any other financial impacts (i.e., on Local Furnishing Bonds).

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 shall be used to~~ the extent practicable when performing conducting the Interconnection Feasibility 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/ISO receives the fully executed Interconnection Feasibility Study Agreement. The Participating TO and ISO shall share applicable study results for results for review and comment, provide the study results to any other potentially-impacted Participating TO(s), 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 cannot the completed within 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 cannot be completed within that time period, if the ISO 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~~ Sections 2.3 and 13.1.

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

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to the Interconnection Customer, the ISO, the applicable Participating TO, ISO(s), 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~~ ISO shall notify the Interconnection Customer and the ~~ISO~~ applicable Participating TO(s) 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~~ ISO within ten (10) Business Days either a written request that the ~~Participating TO~~ ISO (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the ~~applicable Participating TO~~ ISO to continue the study, the Interconnection Customer shall pay the ~~Participating TO~~ ISO an additional \$10,000 deposit for the re-study along with providing written notice for the ~~Participating TO~~ ISO to continue.

Such re-study shall take not longer than forty-five (45) Calendar Days from the date the ~~applicable Participating TO~~ ISO 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 applicable study results for review, provide the study results for review and comment to any other potentially-impacted Participating ~~TOs~~ TO(s), incorporate comments, and issue a final study to the Interconnection Customer within sixty (60) Calendar Days from the date the ~~Participating TO~~ ISO 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 cannot be completed within that time period, the ISO 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~~ ISO 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~~ ISO 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~~ISO in coordination with the ISO applicable Participating TO(s) 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~~ISO 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 valid technical data, such as Attachment A to Appendix 1, 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 applicable Participating TO(s), 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 ISO, applicable Participating TO(s) 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 applicable Participating TO(s), ISO and Interconnection Customer cannot agree on the substituted Point of Interconnection, then the Interconnection Customer may direct that ~~one of the~~ alternatives/alternative 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~~ ISO Controlled Grid. 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 3.3.2 and 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 and cost responsibility and a non-binding good faith estimated time to construct and estimate of any other financial impacts (i.e., on Local Furnishing Bonds).

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 the Participating TO(s) and 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 shall be used to the extent practicable when performing conducting the Interconnection System Impact Study. The ISO will coordinate Base Case development with the applicable Participating TO and/or TOs to ensure the Base Cases are accurately developed. The ISO shall use Reasonable Efforts to complete a draft Interconnection System Impact Study within ninety (90) Calendar Days after the receipt of the executed Interconnection System Impact Study Agreement, study payment, and valid technical data. The Participating TO and/or ISO shall will share applicable study results with the applicable Participating TO(s), for review and comment, and will incorporate comments and into the study report. The ISO will issue a final Interconnection System Impact Study Report report to the Interconnection Customer within one hundred twenty (120) days Calendar Days after the receipt of the executed Interconnection System Impact Study Agreement, study payment, and valid 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 cannot be completed within the time period, ~~it~~ the ISO 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 ISO and Participating TO and ISO(s).

Within ten (10) Business Days of providing an Interconnection System Impact Study report to the Interconnection Customer, the applicable Participating TO(s), 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~~(ISO) 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~~ISO (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the ~~Participating TO~~ISO to continue the study, the Interconnection Customer shall pay the ~~Participating TO~~ISO an additional \$10,000 deposit for the re-study along with providing written notice for the ~~Participating TO~~ISO to continue.

Such re-study shall take no longer than sixty (60) Calendar Days from the date the ~~Participating TO~~ISO 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 ~~will~~ share applicable study results with the applicable Participating TO(s) for review and comment, and will incorporate comments and into the study report. The ISO will issue a final study report 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 cannot be completed~~ within that time period, ~~it the ISO~~ 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 report to the Interconnection Customer, the ~~Participating TO~~ISO shall provide to the Interconnection Customer an pro forma Interconnection Facilities Study Agreement. The pro forma Interconnection Facilities Study Agreement shall provide that the Interconnection Customer shall compensate the ~~Participating TO~~ISO for the actual cost of the Interconnection Facilities Study. Within ~~threeten (310)~~ 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~~ISO 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~~ISO 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~~ISO 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, including the financial impacts (i.e., on Local Furnishing Bonds), if any, and schedule for effecting remedial measures that address such financial impacts, needed on the Participating TO's electric systemISO Controlled Grid 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 the Participating TO(s) and any Affected System pursuant to LGIP Section 3-53.7 above. ~~The Participating TO and/or ISO shall utilize e~~Existing studies shall be used to the extent practicable in conducting performing the Interconnection Facilities Study. The ISO, in collaboration with the applicable Participating TO and/or ISO(s), 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 study results with the applicable Participating TO(s) for review and incorporate comments as necessary. ~~w~~Within the following number of days after receipt of an executed Interconnection Facilities Study Agreement, the ISO shall provide a draft Interconnection Facilities Study report to the Interconnection Customer: 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 will not be met,~~ 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 cannot be conducted~~ and ~~issue a draft Interconnection Facilities Study report cannot be issued~~ within the time required, ~~it~~ the ISO 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, to the extent the comments are applicable,~~ 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 (15) ~~Business~~ Business ~~Day~~ Days period upon notice to the Interconnection Customer if the Interconnection Customer's comments require the applicable Participating TO(s) and/or ISO to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities ~~Report~~ Study 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 the ISO and Applicable Participating TO and ISO(s).

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to the Interconnection Customer, the applicable Participating TO(s), 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~~ ISO shall so notify the Interconnection Customer and the ISO in writing. Upon receipt of such notice, the Interconnection Customer shall provide the ~~Participating TO~~ ISO within ten (10) Business Days a written request that the ~~Participating TO~~ ISO either (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the ~~Participating TO~~ ISO to continue the study, the Interconnection Customer shall pay the ~~Participating TO~~ ISO an additional \$10,000 deposit for the re-study along with providing written notice for the ~~Participating TO~~ ISO to continue.

Such re-study shall take no longer than sixty (60) Calendar Days from the date the ~~Participating TO~~ ISO 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 applicable study results with the applicable Participating TO(s) for review and comment and incorporate comments, as appropriate. ~~and The ISO will issue a final Interconnection Facilities Study report~~ 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 cannot be completed~~ within that time period, ~~if the ISO~~ 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 applicable Participating TO(s) shall offer the Interconnection Customer, an E&P Agreement that authorizes the applicable Participating TO(s) to begin engineering and procurement of long lead-time items

necessary for the establishment of the interconnection. However, the applicable Participating TO(s) 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 applicable Participating TO(s) may elect: (i) to take title to the equipment, in which event the applicable Participating TO(s) 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~~ conduct or cause to be conducted, a reasonable number of Optional Interconnection Studies. The request shall describe the assumptions that the Interconnection Customer wishes ~~the Participating TO or ISO to be studied~~ 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~~ TOs' 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~~ have the Optional Interconnection Study completed 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 cannot be completed within such time period, ~~it the~~ ISO 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 ISO with support and cooperation of the applicable Participating TO or ISO(s) 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~~ Sections 2.3 and 13.1.

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

11.1 Tender.

11.1.1 ~~Within thirty (30) Calendar Days after the Participating TO and the ISO receive~~ ISO receives the Interconnection Customer's written comments, or notification of no comments, to the draft Interconnection Facilities Study report, the applicable Participating TO(s) and the ISO 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 applicable Participating TO(s) and the ISO within (30) Calendar Days of receipt.

11.1.2 Consistent with Section 3.4.4 and 11.1.1 of this LGIP, when the transmission system of a Participating TO, in which the Interconnection Point is not located, is affected, such Participating TO shall tender a separate agreement, in the form of the LGIA, as appropriately modified.

11.2 Negotiation.

Notwithstanding LGIP Section 11.1, at the request of the Interconnection Customer, the applicable Participating TO(s), 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 applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s) and ISO (A) reasonable evidence of continued Site Control or (B) posting to the applicable Participating TO(s) 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 applicable Participating TO(s) and ISO and two to the ISO; or (ii) request in writing that the applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s) or ISO disagree and support for the costs that the applicable Participating TO ~~proposes(s)~~ propose to charge to the Interconnection Customer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by the applicable Participating TO(s) 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 applicable Participating TO(s), 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, applicable Participating TO(s) 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 applicable Participating TO's Interconnection Handbook.

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

12.1 Schedule.

The applicable Participating TO(s) and the Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of the applicable 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 applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s): (i) any associated expediting costs and (ii) the cost of such Network Upgrades.

The applicable Participating TO(s) 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 applicable Participating TO has(s) have 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 applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s), in time to support such in-service date. Upon such request, the applicable Participating TO(s) 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 applicable Participating TO(s) 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~~ ISO 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~~ ISO 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~~ ISO to continue with the amended study, the Interconnection Customer shall pay the ~~Participating TO~~ ISO an additional \$10,000 deposit for the amended study along with providing written notice for the ~~Participating TO~~ ISO to continue. Such amended study shall take no longer than sixty (60) Calendar Days from the date the ~~Participating TO~~ ISO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. The ~~Participating TO~~ ISO shall share applicable study results with the applicable Participating TO(s) 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~~ ISO is unable to complete the amended Interconnection Study cannot be completed within that time period, ~~if the ISO~~ 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~~ and the participating TOs may use the services of subcontractors as deemed appropriate to perform their obligations under this LGIP. The applicable 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~~ have any studies conducted unless the Interconnection Customer has paid all undisputed amounts in compliance herewith.

13.4 Third Parties ~~Conducting~~Performing 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~~ cannot be completed 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~~ request that the ~~Participating TO or ISO to:~~ (1) utilize a third party consultant reasonably acceptable to the Interconnection Customer, the ISO, and the Participating TO or ISO (2) utilize the applicable Participating TO(s) 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~~ ISO determines 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 or Participating TO's~~ Participating TO'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 applicable Participating TO or(s) and the 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 ~~seen as~~ 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 applicable Participating TO(s), or the ISO at the Participating TO's or ISO's discretion. If the Interconnection Customer enters into a third party Interconnection Study agreement, the Interconnection Customer shall provide the Interconnection Study to the ISO and the Participating TO for review, and such third party Interconnection Study agreement shall provide for reimbursement by the Interconnection Customer of the ISO's and Participating TO's actual cost of participating in and reviewing the Interconnection Study. 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 applicable Participating TO-or(s) and the 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 _____ California nonprofit public benefit corporation 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 conduct or cause to be performed 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 conduct or 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 or the ISO Controlled Grid as a result of the interconnection;
- preliminary identification of any thermal overload or voltage limit violations on the Participating TO's electric system or the ISO Controlled Grid resulting from the interconnection;
- preliminary description and non-binding good faith estimated of cost and cost responsibility for and time for construction of the Participating TO's facilities required to interconnect the Large Generating Facility to the Participating TO's electric system or the ISO Controlled Grid and to address the identified short circuit and power flow issues; ~~and~~
- preliminary identification of financial impacts, if any, on Local Furnishing Bonds; 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~~ISO 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~~ISO's offices and at its own expense, to audit the ~~Participating TO's~~ISO's records as necessary and as appropriate in order to verify costs incurred by the ~~Participating TO~~ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ~~Participating TO~~ISO, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ~~Participating TO's~~ISO'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 or ISO. 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 _____ California nonprofit public benefit corporation 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 ~~conduct or cause to be performed~~ 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 ~~conduct or cause to be performed~~ perform 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

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

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 or the ISO Controlled Grid as a result of the interconnection;
- identification of any thermal overload or voltage limit violations on the Participating TO's electric system or the ISO Controlled Grid resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances on the Participating TO's electric system or the ISO Controlled Grid resulting from the interconnection;
- a description and non-binding, good faith estimated of cost and cost responsibility for and time for construction 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; and
- assessment of the potential magnitude of financial impacts, if any, on Local Furnishing Bonds and a proposed resolution.

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~~ISO 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~~ISO's offices and at its own expense, to audit the ~~Participating TO's~~ISO's records as necessary and as appropriate in order to verify costs incurred by the ~~Participating TO~~ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ~~Participating TO~~ISO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ~~Participating TO's~~ISO'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 or ISO. 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"]**

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 _____ California nonprofit public benefit corporation 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 ~~conduct or cause to be performed~~ 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 ~~conduct or cause to be performed~~ 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, including, if applicable, the cost of remedial measures that address the financial impacts, if any, on Local Furnishing Bonds, of (consistent with Attachment A), and schedule for required facilities or for effecting remedial measures that address the financial impacts, if any, on Local Furnishing Bonds within the each 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~~ISO 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~~ISO offices and at its own expense, to audit the ~~Participating TO’s~~ISO’s records as necessary and as appropriate in order to verify costs incurred by the ~~Participating TO~~ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ~~Participating TO~~ISO within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ~~Participating TO’s~~ISO’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 or ISO. 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/ISO Controlled Grid 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.

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 _____ California nonprofit public benefit corporation 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 "the ISO"**] conduct or cause to be performed 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 conduct or cause to be performed 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, including, if applicable, the cost of remedial measures that address the financial impacts, if any, on Local Furnishing Bonds, 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/ISO 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/ISO offices and at its own expense, to audit the Participating TO's/ISO's records as necessary and as appropriate in order to verify costs incurred by the Participating TO/ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Participating TO/ISO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Participating TO's/ISO'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 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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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 shall receive, process and analyze Interconnection Requests in a timely manner as set forth in this LGIP. The ISO will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by a Participating TO, its subsidiaries or Affiliates or others.

2.3 Base Case Data.

The ISO and/or the applicable Participating TO(s) 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(s) and the ISO are 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 a copy of the Interconnection Request to the applicable Participating TO within one (1) Business Day of receipt. The ISO 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 applicable Participating TO(s), 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 of Interconnection to be studied and one alternative Point of Interconnection no later than the execution of the first Interconnection Feasibility Study Agreement.

3.2 Roles and Responsibilities.

- (a) Each Interconnection Request will be subject to the direction and oversight of the ISO. The ISO will conduct or cause to be performed the required Interconnection Studies and any additional studies the ISO determines to be reasonably necessary, and will direct the applicable Participating TO to perform portions of studies where the Participating TO has specific and non-transferable expertise or data and can conduct the studies more efficiently and cost effectively than the ISO. The ISO will coordinate with Affected System Operators in accordance with LGIP Section 3.7.
- (b) The ISO will complete or cause to be completed all studies as required within the timelines provided in this LGIP. Any portion of the studies performed at the direction of the ISO by the Participating TOs or by a third party shall also be completed within timelines provided in this LGIP.
- (c) The ISO has entered into a Roles and Responsibilities Agreement, filed concurrently herewith and incorporated herein by reference, with the applicable Participating TOs.
- (d) Each Interconnection Customer shall pay the actual costs of all Interconnection Studies, and any additional studies the ISO determines to be reasonably necessary in response to the Interconnection Request. The ISO shall reimburse the Participating TO for the actual cost of any portion of all Interconnection Studies that such Participating TO performs at the direction of the ISO.

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 identify direct Interconnection Facilities and required Reliability Network Upgrades necessary to mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability 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 applicable Participating TO(s) 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 and deemed valid by 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 the ISO notifies the Interconnection Customer of a valid Interconnection Request, the ISO shall establish a date agreeable to the Interconnection Customer and the applicable Participating TO(s) for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from notification 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 applicable Participating TO(s) and the ISO will bring to the meeting such already available technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues, as may be reasonably required to accomplish the purpose of the meeting. The Interconnection Customer will bring to the Scoping Meeting as much large generator technical data in Attachment A to Appendix 1, and system studies previously performed, as available. The applicable Participating TO(s), 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 alternative Point of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

The ISO shall prepare minutes from the meeting, verified by the Interconnection Customer and the other attendees, that will include, at a minimum, discussions among the applicable Participating TO(s) and the ISO of what the expected results may be for the Interconnection Feasibility Study.

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

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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

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requests that the applicable Participating TO(s) and the ISO 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 applicable Participating TO(s) 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 (ISO) 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 ISO will notify the applicable Participating TO(s), within three (3) Business Days of receipt of such a notice. 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 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 ISO all costs that have been prudently incurred or irrevocably have committed to be incurred with respect to that Interconnection Request prior to the ISO'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 will reimburse the applicable Participating TO(s) for all work performed associated with the Interconnection Request at the ISO's direction.

The ISO shall update the ISO Home Page Queue Position posting. The ISO shall refund to the Interconnection Customer any portion of the Interconnection Customer's deposit or study payments that exceed the costs that the ISO has incurred or Participating TO(s) have incurred, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, the ISO, subject to the confidentiality provisions of LGIP Section 13.1, shall provide, at the Interconnection Customer's request, all information that the 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 in coordination with the applicable Participating TO(s), 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 ISO elects, in coordination with applicable Participating TO(s), 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 ISO may agree to conduct the study of 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(s) 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, the Interconnection Customer, the applicable Participating TO(s), 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 applicable Participating TO(s), the ISO, and Interconnection Customer, such acceptance not to be unreasonably withheld, 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 ISO, 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 ISO, 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 ISO evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the ISO, in coordination with the affected Participating TO, shall evaluate the proposed modifications prior to making them and the ISO shall 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 ISO shall commence and conduct or have conducted any necessary additional studies as soon as practicable, but in no event shall such studies commence 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 ISO, as applicable, to the extent consistent with the intent and process provided for under this LGIP.

5.2 Change in ISO Operational Control.

If the ISO no longer has control of the portion of the ISO Controlled Grid at the Point of Interconnection during the period when an Interconnection Request is pending, the ISO shall transfer to applicable Participating TO which has ownership of the Point of Interconnection 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 ISO shall coordinate with the applicable Participating TO which has ownership of the Point of Interconnection to complete any Interconnection Study, as appropriate, that the ISO has begun but has not completed. If the ISO has tendered a draft LGIA to the Interconnection Customer but the Interconnection Customer has neither executed the LGIA or requested the filing of an unexecuted LGIA with FERC, unless otherwise provided, the Interconnection Customer must complete negotiations with the applicable Participating TO which has the ownership of the Point of Interconnection.

Section 6. Interconnection Feasibility Study.

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request, the ISO shall provide to the Interconnection Customer a pro forma Interconnection Feasibility Study Agreement. The pro forma Interconnection Feasibility Study

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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 of Interconnection and one alternative Point of Interconnection. Within fifteen (15) Business Days following the ISO's receipt of such designation, the ISO, in coordination with the Participating TO 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 ISO 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 ISO, the Interconnection Customer shall provide to the ISO valid 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(s) and 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. For the purpose of this LGIP Section 6.1, if the ISO, applicable Participating TO(s) and Interconnection Customer cannot agree on the substituted Point of Interconnection, then the Interconnection Customer may direct that the alternative 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 the ISO agree to forgo the Interconnection Feasibility Study, the ISO will tender an Interconnection System Impact Study Agreement within fifteen (15) Business Days from receipt of the Interconnection Customer's designated Point of Interconnection and alternative, 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 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. The Interconnection Feasibility Study will provide a list of facilities on the applicable Participating TOs' portion of the ISO Controlled Grid and a non-binding good faith estimate of cost and 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 and any other financial impacts (i.e., on Local Furnishing Bonds).

6.3 Interconnection Feasibility Study Procedures.

Existing studies shall be used to the extent practicable when conducting the Interconnection Feasibility Study. The ISO shall use Reasonable Efforts to complete a draft Interconnection Feasibility Study no later than forty-five (45) Calendar Days after the ISO receives the fully executed Interconnection Feasibility Study Agreement. The ISO shall share applicable study results for review and comment, provide the study results to any other potentially-impacted Participating TO(s), 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 ISO determines that the study cannot be completed within the required time frame for completing the Interconnection Feasibility Study, the ISO shall notify the Interconnection Customer as to the schedule status of the Interconnection Feasibility Study. If the Interconnection Feasibility Study cannot be completed within that time period, the ISO 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 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 Sections 2.3 and 13.1.

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

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

6.4 Re-Study.

If re-study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to 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 ISO shall notify the Interconnection Customer and the applicable Participating TO(s) 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 within ten (10) Business Days either a written request that the ISO (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the ISO to continue the study, the Interconnection Customer shall pay the ISO an additional \$10,000 deposit for the re-study along with providing written notice for the ISO to continue.

Such re-study shall take not longer than forty-five (45) Calendar Days from the date the ISO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. The ISO shall share applicable study results for review, provide the study results for review and comment to any other potentially-impacted Participating TOsTO(s), incorporate comments, and issue a final study to the Interconnection Customer within sixty (60) Calendar Days from the date the ISO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. If the Interconnection Feasibility Study cannot be completed within that time period, the ISO 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 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 ISO shall provide to the Interconnection Customer an Interconnection System Impact Study Agreement. The Interconnection System Impact Study Agreement shall provide that the Interconnection Customer shall compensate the ISO for the actual cost of the Interconnection System Impact Study. Within three (3) Business Days following the Interconnection Feasibility Study results meeting, the ISO in coordination with the applicable Participating TO(s) 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 ISO 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 valid technical data, such as Attachment A to Appendix 1, 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 applicable Participating TO(s), 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 ISO, applicable Participating TO(s) 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 applicable Participating TO(s), ISO and Interconnection Customer cannot agree on the substituted Point of Interconnection, then the Interconnection Customer may direct that the alternative alternative 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 Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the ISO Controlled Grid. 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 3.3.2 and 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 ISO Controlled Grid that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost and cost responsibility and a non-binding good faith estimated time to construct and estimate of any other financial impacts (i.e., on Local Furnishing Bonds).

7.4 Interconnection System Impact Study Procedures.

The ISO shall coordinate the Interconnection System Impact Study with the Participating TO(s) and any Affected System that is affected by the Interconnection Request pursuant to LGIP Section 3.7 above. Existing studies shall be used to the extent practicable when conducting the Interconnection System Impact Study. The ISO will coordinate Base Case development with the applicable Participating TOs to ensure the Base Cases are accurately developed. The ISO shall use Reasonable Efforts to complete a draft Interconnection System Impact Study within ninety (90) Calendar Days after the receipt of the executed Interconnection System Impact Study Agreement, study payment, and valid technical data. The ISO will share applicable study results with the applicable Participating TO(s), for review and comment, and will incorporate comments into the study report. The ISO will issue a final Interconnection System Impact Study report to the Interconnection Customer within one hundred twenty (120) Calendar Days after the receipt of the executed Interconnection System Impact Study Agreement, study payment, and valid technical data. If the ISO uses Clustering, the 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 ISO determines that it will not meet the required time frame for completing the Interconnection System Impact Study, the ISO shall notify the Interconnection Customer as to the schedule status of the Interconnection System Impact Study. If the Interconnection System Impact Study cannot be completed within the time period, the ISO 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 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 ISO and Participating TO(s).

Within ten (10) Business Days of providing an Interconnection System Impact Study report to the Interconnection Customer, the applicable Participating TO(s), 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 ISO shall notify the Interconnection Customer 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 within ten (10) Business Days either a written request that the ISO (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the ISO to continue the study, the Interconnection Customer shall pay the ISO an additional \$10,000 deposit for the re-study along with providing written notice for the ISO to continue.

Such re-study shall take no longer than sixty (60) Calendar Days from the date the ISO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. The ISO will share applicable study results with the applicable Participating TO(s) for review and comment, and will incorporate comments into the study report. The ISO will issue a final study report 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 Interconnection System Impact Study cannot be completed within that time period, the ISO 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 report to the Interconnection Customer, the ISO shall provide to the Interconnection Customer a pro forma Interconnection Facilities Study Agreement. The pro forma Interconnection Facilities Study Agreement shall provide that the Interconnection Customer shall compensate the ISO for the actual cost of the Interconnection Facilities Study. Within ten (10) Business Days following the Interconnection System Impact Study results meeting, 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 ISO 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 ISO 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 ISO 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, including the financial impacts (i.e., on Local Furnishing Bonds), if any, and schedule for effecting remedial measures that address such financial impacts, needed on the ISO Controlled Grid 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 the Participating TO(s) and any Affected System pursuant to LGIP Section 3.7 above. Existing studies shall be used to the extent practicable in conducting the Interconnection Facilities Study. The ISO, in collaboration with the applicable Participating TO(s), 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 ISO shall share study results with the applicable Participating TO(s) for review and incorporate comments as necessary. Within the following number of days after receipt of an executed Interconnection Facilities Study Agreement, the ISO shall provide a draft Interconnection Facilities Study report to the Interconnection Customer: 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 ISO determines that the required time frame for completing the Interconnection Facilities Study will not be met, the ISO shall notify the Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If the Interconnection Facilities Study cannot be conducted and a draft Interconnection Facilities Study report cannot be issued within the time required, the ISO 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 ISO, which the ISO, to the extent

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the comments are applicable, shall include in the final report, or (ii) provide a statement to the ISO that it will not provide comments. The 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 ISO may reasonably extend such fifteen (15) –Business Day period upon notice to the Interconnection Customer if the Interconnection Customer's comments

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require the applicable Participating TO(s) and/or ISO to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study report. Upon request, the 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 the ISO and Applicable Participating TO(s).

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to the Interconnection Customer, the applicable Participating TO(s), 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 ISO shall so notify the Interconnection Customer in writing. Upon receipt of such notice, the Interconnection Customer shall provide the ISO within ten (10) Business Days a written request that the ISO either (i) terminate the study and withdraw the Interconnection Request; or (ii) continue the study. If the Interconnection Customer requests the ISO to continue the study, the Interconnection Customer shall pay the ISO an additional \$10,000 deposit for the re-study along with providing written notice for the ISO to continue.

Such re-study shall take no longer than sixty (60) Calendar Days from the date the ISO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. The ISO shall share applicable study results with the applicable Participating TO(s) for review and comment and incorporate comments, as appropriate. The ISO will issue a final Interconnection Facilities Study report 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 Interconnection Facilities Study cannot be completed within that time period, the ISO 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 applicable Participating TO(s) shall offer the Interconnection Customer, an E&P Agreement that authorizes the applicable Participating TO(s) to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the applicable Participating TO(s) 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 applicable Participating TO(s) may elect: (i) to take title to the equipment, in which event the applicable Participating TO(s) 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 ISO shall conduct or cause to be conducted, a reasonable number of Optional Interconnection Studies. The request shall describe the assumptions that the Interconnection Customer wishes to be studied 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 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 ISO's estimate of the cost of the Optional Interconnection Study. To the extent known by the 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 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 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 TOs' 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 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 ISO shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

10.3 Optional Interconnection Study Procedures.

The ISO shall use Reasonable Efforts to have the Optional Interconnection Study completed within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If the Optional Interconnection Study cannot be completed within such time period, the ISO 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 ISO, as applicable, or refunded to the Interconnection Customer, as appropriate. Upon request, the ISO with support and cooperation of the applicable Participating TO(s) 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 Sections 2.3 and 13.1.

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

11.1 Tender.

11.1.1 Within thirty (30) Calendar Days after the ISO receives the Interconnection Customer's written comments, or notification of no comments, to the draft Interconnection Facilities Study report, the applicable Participating TO(s) and the ISO 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 applicable Participating TO(s) and the ISO within (30) Calendar Days of receipt.

11.1.2 Consistent with Section 3.4.4 and 11.1.1 of this LGIP, when the transmission system of a Participating TO, in which the Interconnection Point is not located, is affected, such Participating TO shall tender a separate agreement, in the form of the LGIA, as appropriately modified.

11.2 Negotiation.

Notwithstanding LGIP Section 11.1, at the request of the Interconnection Customer, the applicable Participating TO(s), and ISO 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 applicable Participating TO(s) and ISO 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 applicable Participating TO(s) 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 applicable Participating TO(s) and ISO (A) reasonable evidence of continued Site Control or (B) posting to the applicable Participating TO(s) 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 applicable Participating TO(s) and two to the ISO; or (ii) request in writing that the applicable Participating TO(s) and ISO file with FERC an LGIA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after

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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 applicable Participating TO(s) 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 applicable Participating TO(s) or ISO disagree and support for the costs that the applicable Participating TO(s) propose to charge to the Interconnection Customer under the LGIA. An unexecuted LGIA should

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contain terms and conditions deemed appropriate by the applicable Participating TO(s) 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 applicable Participating TO(s), 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, applicable Participating TO(s) 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 applicable Participating TO's Interconnection Handbook.

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

12.1 Schedule.

The applicable Participating TO(s) and the Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of the applicable 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 applicable Participating TO(s) 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 ISO Controlled Grid, in time to support such In-Service Date. Upon such request, the applicable Participating TO(s) 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 applicable Participating TO(s): (i) any associated expediting costs and (ii) the cost of such Network Upgrades.

The applicable Participating TO(s) 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 applicable Participating TO(s) have 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 applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s) 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 applicable Participating TO(s), in time to support such in-service date. Upon such request, the applicable Participating TO(s) 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 applicable Participating TO(s) 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 ISO shall notify the Interconnection Customer in writing. Upon receipt of such notice, the Interconnection Customer shall provide the ISO within ten (10) Business Days a written request that the ISO 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 ISO to continue with the amended study, the Interconnection Customer shall pay the ISO an additional \$10,000 deposit for the amended study along with providing written notice for the ISO to continue. Such amended study shall take no longer than sixty (60) Calendar Days from the date the ISO receives the Interconnection Customer's written notice to continue the study and payment of the additional \$10,000 deposit. The ISO shall share applicable study results with the applicable Participating TO(s) 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 amended Interconnection Study cannot be completed within that time period, the ISO 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 ISO and the participating TOs may use the services of subcontractors as deemed appropriate to perform their obligations under this LGIP. The applicable 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 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 ISO shall not be obligated to continue to have any studies conducted unless the Interconnection Customer has paid all undisputed amounts in compliance herewith.

13.4 Third Parties Performing 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 an Interconnection Study cannot be completed 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 request that the ISO: (1) utilize a third party consultant reasonably acceptable to the Interconnection Customer, the ISO, and the Participating TO or (2) utilize the applicable Participating TO(s) to perform such Interconnection Study under the direction of the 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 ISO determines that doing so will help maintain or accelerate the study process for the Interconnection Customer's pending Interconnection Request and not interfere with the ISO's or Participating TO'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 applicable Participating TO(s) and the 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 the Interconnection Customer, the applicable Participating TO(s), or the ISO at the Participating TO's or ISO's discretion. If the Interconnection Customer enters into a third party Interconnection Study agreement, the Interconnection Customer shall provide the Interconnection Study to the ISO and the Participating TO for review, and such third party Interconnection Study agreement shall provide for reimbursement by the Interconnection Customer of the ISO's and Participating TO's actual cost of participating in and reviewing the Interconnection Study. 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 applicable Participating TO(s) and the 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

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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.

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

Issued on: November 1, 2005

Effective: Date Assigned by Commission

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 a 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: _____

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Short Circuit Reactance: _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): _____
Reactive Power Required In Vars (Full Load): _____
Total Rotating Inertia, H: _____ Per Unit on KVA Base

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

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

Effective: July 1, 2005

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 the California Independent System Operator Corporation, a California nonprofit public benefit corporation existing under the laws of the State of California, ("ISO"). The Interconnection Customer and the 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 ISO to conduct or cause to be performed 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 ISO shall conduct or cause to be performed an Interconnection Feasibility Study consistent with 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 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 or the ISO Controlled Grid as a result of the interconnection;
 - preliminary identification of any thermal overload or voltage limit violations on the Participating TO's electric system or the ISO Controlled Grid resulting from the interconnection;
 - preliminary description and non-binding good faith estimate of cost and cost responsibility for and time for construction of the Participating TO's facilities required to interconnect the Large Generating Facility to the Participating TO's electric system or the ISO Controlled Grid and to address the identified short circuit and power flow issues;
 - preliminary identification of financial impacts, if any, on Local Furnishing Bonds; 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 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 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.

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- 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 ISO provides the Interconnection Feasibility Study results to the Interconnection Customer.

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

Issued on: November 1, 2005

Effective: Date Assigned by Commission

Study results will reflect available data at the time the ISO provides the Interconnection Feasibility Study to the Interconnection Customer. The 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 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 ISO 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 ISO's offices and at its own expense, to audit the ISO's records as necessary and as appropriate in order to verify costs incurred by the ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ISO, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ISO'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 ISO. If the 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 or ISO. 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 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.

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 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 the California Independent System Operator Corporation a California nonprofit public benefit corporation existing under the laws of the State of California, ("ISO"). The Interconnection Customer and the 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 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 ISO to conduct or cause to be performed 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 ISO shall conduct or cause to be performed an Interconnection System Impact Study consistent with 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 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 or the ISO Controlled Grid as a result of the interconnection;
- identification of any thermal overload or voltage limit violations on the Participating TO's electric system or the ISO Controlled Grid resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances on the Participating TO's electric system or the ISO Controlled Grid resulting from the interconnection;
- a description and non-binding, good faith estimate of cost and cost responsibility for and time for construction of facilities on the Participating TO's electric system required to interconnect the Large Generating Facility to the ISO Controlled Grid and to address the identified short circuit, instability, and power flow issues on the ISO Controlled Grid; and
- a Deliverability Assessment on the ISO Controlled Grid pursuant to Section 3.3 of the LGIP; and
- assessment of the potential magnitude of financial impacts, if any, on Local Furnishing Bonds and a proposed resolution.

6.0 The Interconnection Customer shall provide a deposit of \$50,000 for the performance of the Interconnection System Impact Study. The 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 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 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 ISO provides the Interconnection System Impact Study results to the Interconnection Customer. Study results will reflect available data at the time the ISO provides the Interconnection System Impact Study to the Interconnection Customer. The 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 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 ISO 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 ISO's offices and at its own expense, to audit the ISO's records as necessary and as appropriate in order to verify costs incurred by the ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ISO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ISO'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 ISO. If the 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 or ISO. 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 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.

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 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 the California Independent System Operator Corporation, a California nonprofit public benefit corporation existing under the laws of the State of California, (ISO). The Interconnection Customer and the 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 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 ISO to conduct or cause to be performed 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 ISO shall conduct or cause to be performed an Interconnection Facilities Study consistent with the LGIP 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, including, if applicable, the cost of remedial measures that address the financial impacts, if any, on Local Furnishing Bonds, of (consistent with Attachment A), and schedule for required facilities or for effecting remedial measures that address the financial impacts, if any, on Local Furnishing Bonds within each 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: November 1, 2005

Effective: Date Assigned by Commission

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 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 ISO shall continue to hold the amounts on deposit until settlement of the final invoice.

Following the issuance of the Interconnection Facilities Study, the 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 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 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 ISO provides the Interconnection Facilities Study results to the Interconnection Customer. Study results will reflect available data at the time the ISO provides the Interconnection Facilities Study to the Interconnection Customer. The 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 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 ISO 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 ISO offices and at its own expense, to audit the ISO's records as necessary and as appropriate in order to verify costs incurred by the ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ISO within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ISO'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 ISO. If the 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 or ISO. 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 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.

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 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 ISO Controlled Grid 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: November 1, 2005

Effective: Date Assigned by Commission

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 the California Independent System Operator Corporation a California nonprofit public benefit corporation existing under the laws of the State of California, ("ISO"). The Interconnection Customer and the 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 the ISO conduct or cause to be performed 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 ISO shall conduct or cause to be performed an Optional Interconnection Study consistent with the LGIP 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, including, if applicable, the cost of remedial measures that address the financial impacts, if any, on Local Furnishing Bonds, that

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

Issued on: November 1, 2005

Effective: Date Assigned by Commission

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 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 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 ISO provides the Optional Interconnection Study results to the Interconnection Customer. Study results will reflect available data at the time the ISO provides the Optional Interconnection Study to the Interconnection Customer. The 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 ISO 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 ISO offices and at its own expense, to audit the ISO's records as necessary and as appropriate in order to verify costs incurred by the ISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the ISO representative, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the ISO'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 ISO. If the 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 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.

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

**AGREEMENT FOR THE ALLOCATION
OF RESPONSIBILITIES WITH REGARD TO
LARGE GENERATOR INTERCONNECTION PROCEDURES AND
INTERCONNECTION STUDY AGREEMENTS**

This Agreement for the Allocation of Responsibilities With Regard to Large Generator Interconnection Procedures and Interconnection Study Agreements ("Agreement"), dated November 1, 2005, is entered into among the California Independent System Operator Corporation ("ISO") and Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (collectively, "PTOs"). The ISO and PTOs are jointly referred to as the "Parties" and individually, as a "Party."

WHEREAS, this Agreement will ensure an independent assessment of new Large Generating Facility impacts on the ISO Controlled Grid and take advantage of the respective expertise of the Parties to facilitate efficient and cost effective Interconnection Study procedures in a manner consistent with the Federal Energy Regulatory Commission's ("FERC") July 1, 2005 Order (112 FERC ¶ 61,009), FERC's August 26, 2005 Order (112 FERC ¶ 61,231), and prior FERC Orders recognizing that Order No. 2003 did not allocate responsibilities between transmission owners and transmission providers for the provision of Interconnection Service and suggesting those parties enter into an agreement to allocate those responsibilities. Southwest Power Pool, Inc., 106 FERC ¶ 61,254 (2004).

NOW THEREFORE, in view of the respective responsibilities assigned to the Parties and the foregoing FERC orders, the ISO and PTOs that have executed this

Agreement agree to the following allocation of responsibilities for a centralized Interconnection Study process under the direction and oversight of the ISO:

1. DEFINITIONS.

Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the ISO Tariff.

2. TERM OF AGREEMENT.

This Agreement shall become effective upon the date the provisions of the ISO Tariff implementing the centralized Interconnection Study process required by the July 1 Order and the August 26 Order are accepted and made effective by FERC, and shall remain in effect until (1) terminated by all Parties in writing, or (2) with respect to any single PTO, upon the termination of that entity's status as a PTO pursuant to the Transmission Control Agreement, as amended from time to time.

3. PROVISIONS FOR ALLOCATION OF RESPONSIBILITIES BETWEEN ISO AND PTOs.

3.1 Interconnection Service: The Parties acknowledge that, as the transmission provider, the ISO is responsible for reliably operating the transmission grid. The Parties also recognize that while the ISO is a transmission provider under the ISO Tariff, the ISO does not own any transmission facilities, and the PTOs own, construct, and maintain the facilities to which Large Generating Facilities are to be interconnected, and that the PTOs may construct or modify facilities to allow the interconnection. While the Parties recognize that the ISO will be responsible for conducting or causing to be performed Interconnection Studies and similar studies, the PTOs will participate in these studies and

conduct certain portions of studies, under the direction and oversight of, and approval by, the ISO, as provided in this Agreement. The ISO shall not enter into any Interconnection Study agreement with an Interconnection Customer that is contrary to these rights.

3.2 Conflicts Between Agreements: In the event of any conflict between provisions of this Agreement and an individual Interconnection Study agreement entered into between the ISO and an Interconnection Customer or the ISO Tariff, the provisions of this Agreement shall control.

3.3 Transmission Owners' Right to Participation in Studies, Committees and Meetings:

3.3.1 In the event that an Interconnection Customer proposes to interconnect a Large Generating Facility with a PTO's facilities, or a PTO is an owner of an affected system, that PTO shall have the right to participate in any Interconnection Feasibility Study, Interconnection System Impact Study, Interconnection Facilities Study, or any other study conducted in connection with such request for Interconnection Service. "Participate" in this Section 3.3.1 means physically perform any study or portion thereof in connection with an Interconnection Request, under the direction and oversight of, and approval by, the ISO pursuant to Section 3.4 of this Agreement; provide or receive input, data or other information regarding any study or portion thereof consistent with Section 3.4 of this Agreement; and, when any study or portion

thereof in connection with an Interconnection Request is physically performed by an entity other than the PTO, perform activities necessary to adequately review or validate, as appropriate, any results of the study or portions thereof and provide recommendations.

3.3.2 In the event that an Interconnection Customer proposes to interconnect a Large Generating Facility with a PTO's facilities, or a PTO is an owner of an affected system, that PTO shall have the right to participate in all meetings expressly established pursuant to the ISO LGIP. As appropriate, the PTOs may participate in all other material or substantive communications in connection with an Interconnection Request.

3.4 Interconnection Study Responsibility Allocation: In complying with its responsibility for conducting or causing to be performed Interconnection Studies, the ISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTO(s), under the direction and oversight of, and approval by, the ISO, as set forth in Attachment A, except as specifically qualified as follows:

3.4.1 Unless an Interconnection Customer specifically requests that a third party perform an Interconnection Study pursuant to LGIP Section 13.4, for any tasks specifically assigned to the PTO(s) pursuant to Attachment A or otherwise mutually agreed upon by the ISO and the affected PTO(s), the ISO reserves the right, on a case-by-case basis, to perform or reassign to a mutually agreed upon and pre-qualified contractor such task only where: (a) the quality and accuracy of prior PTO Interconnection Study work product resulting from assigned tasks has been deemed deficient by the ISO, the ISO has notified the PTO pursuant to notice provision Section 4.16 in writing of the deficiency, and the deficiency has not been cured pursuant to Section 3.4.2; (b) the timeliness of PTO Interconnection Study work product has been deemed deficient, and either (i) the ISO has not been notified of the reasons and actions taken to address the timeliness of the work, or (ii) if notified, the stated reasons and actions taken are insufficient or unjustifiable and the PTO has not cured the deficiency pursuant to Section 3.4.2; (c) the PTO has failed, in a mutually agreed upon timeframe, to provide the ISO with information or data related to an Interconnection Request despite a written request by the ISO, pursuant to Section 3.5 hereof, to do so, and such data is the responsibility of the PTO to provide to the ISO, subject to Section 4.3 of this Agreement; (d) the PTO advises the ISO in writing that it

does not have the resources to adequately or timely perform the task according to the applicable timelines set forth in Attachment A; or (e) the estimated cost of the PTO performing the task has been determined in writing by the ISO to significantly exceed the cost of the ISO or mutually agreed upon contractor performing the task, inclusive of the costs that will be incurred by the PTO in exercising its review rights of the results of any such tasks performed by such third party(ies).

If the ISO deviates from the assignments set forth in Attachment A based on the foregoing factors, the ISO will provide any affected PTO with a written explanation for the deviation and any associated reassignments of work. The PTO may contest the deviation pursuant to the Dispute Resolution procedures set forth in Section 4.1 of this Agreement.

Task(s) may only be reassigned in accordance with this Section 3.4.1 where the PTO has been deemed to be deficient in relation to that (those) particular task(s).

3.4.2 Cure for re-assigned Interconnection Study work

The ISO shall not reassign task(s) without the opportunity to cure, as specified in Section 3.4.1. The following actions will serve to

cure the deficiencies and result in restoring the assignment(s) as provided in Attachment A:

- a) The ISO and PTO shall negotiate in good faith and agree to a corrective action plan proposed by the PTO, including a reasonably adequate cure period, and the corrective action plan is satisfactorily implemented.
- b) The ISO determines the deficiency is cured without an action plan.

3.4.3 Assessment of prior PTO Interconnection Study work shall only be based on work conducted under the process that becomes effective concurrent with the effective date of this Agreement. Further, assessment of prior PTO Interconnection Study work shall be based on work conducted no earlier than the eighteen (18) month period prior to the date of the ISO notice of deviation from assignments set forth in Attachment A to this Agreement.

3.5 Information Exchange: The PTO shall provide the ISO, subject to confidentiality requirements in Section 4.3, with any documentation or data requested by the ISO reasonably necessary to permit the ISO to perform, review, validate and approve any Interconnection Study, or portion thereof, performed by the PTO. The ISO shall provide the PTO with any documentation or data requested by the PTO, subject to confidentiality requirements in Section 4.3, reasonably necessary to perform, review, and validate any Interconnection Study, or portion thereof.

3.6 Consistency with Provisions for Centralized Interconnection Study

Process. The ISO and PTOs have determined that the processes and allocation of responsibilities in Section 3.4 of this Agreement ensure that impacts to the ISO Controlled Grid are independently assessed and that the assignment of responsibilities minimizes handoffs, takes advantage of non-transferable skills, and promotes the efficiency and cost-effectiveness of the centralized Interconnection Study processes, consistent with LGIP Section 3.2.

3.7 Re-Studies: If any re-studies are required, the ISO will confer with the applicable PTO(s) as to the need for a re-study. The ISO will make the final determination regarding the need for a re-study, subject to dispute resolution procedures.

3.8 Use of Contractors: Nothing in this Agreement shall prevent either the ISO or a PTO from using qualified, mutually agreed upon third party contractors to meet that Party's rights or obligations under this Agreement or the LGIP. To promote the efficiency of the process, the ISO and PTOs will collaborate to identify a list of the mutually agreed to qualified contractors available to the Parties.

3.9 Performance Standards: Each Party shall perform all of its obligations under the LGIP, this Agreement, and any FERC approved Interconnection Study procedures that may be adopted by the ISO to implement the LGIP or this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice.

3.10 Recovery of Costs: In accordance with Section 13.3 of the LGIP, the PTOs shall recover all actual costs from the ISO incurred in performing Interconnection Studies or portions thereof assigned to them by the ISO, including all costs incurred in exercising their right to review, and make recommendations on, Interconnection Studies or portions thereof performed by the ISO and/or contractors under Section 3.8 of this Agreement.

4. GENERAL TERMS AND CONDITIONS.

4.1 Dispute Resolution: In the event any dispute regarding the terms, conditions, and performance of this Agreement is not settled informally, the Parties shall follow the ISO ADR Procedures set forth in Section 13 of the ISO Tariff.

4.2 Liability: No Party to this Agreement shall be liable to any other Party for any direct, indirect, special, incidental or consequential losses, damages, claims, liabilities, costs or expenses (including attorneys fees and court costs) arising from the performance or non-performance of its obligations under this Agreement regardless of the cause (including intentional action, willful action, gross or ordinary negligence, or force majeure); provided, however, that a Party may seek equitable or other non-monetary relief as may be necessary to enforce this Agreement and that damages for which a Party may be liable to another Party under another agreement will not be considered damages under this Agreement.

- 4.3 Confidentiality:** Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 4.4 Binding Effect:** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 4.5 Conflicts:** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 4.6 Rules of Interpretation:** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this 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 Agreement or such Appendix to this 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 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".

4.7 Entire Agreement: This Agreement, including all Attachments hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants, which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Agreement.

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

- 4.9 Waiver:** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by a Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this 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 Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.
- 4.10 Headings:** The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 4.11 Multiple Counterparts:** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

4.12 Modification by the Parties: The Parties amend this Agreement and any Appendices to this Agreement only (1) by mutual agreement of the Parties by a written instrument duly executed by the Parties, subject to FERC approval or (2) upon the issuance of a FERC order, pursuant to Section 206 of the Federal Power Act. It is the Parties' intent that FERC's right to change any provision of this Agreement shall be limited to the maximum extent permissible by law and that any such change, if permissible, shall be in accordance with the Mobile-Sierra public interest standard applicable to fixed rate agreements. *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956). Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations. Notwithstanding the foregoing, Attachment B (Notices) may be modified as set forth in Section 4.15, and the ISO and the affected PTO(s) may from time to time mutually agree to deviate from Attachment A in accordance with the provisions of this Agreement, however, such deviation shall be subject to Section 4.9 and not considered a course of dealing.

4.13 No Partnership: This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to

act as or be an agent or representative of, or to otherwise bind, another Party.

4.14 Assignment: This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

4.15 Notices: Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, will be in writing and deemed properly served, given, or made if delivered in person, transmitted by facsimile, or sent by United States mail, postage prepaid, to the persons specified in Attachment B hereto unless otherwise provided in this Agreement. Any Party may at any time, by notice to all other Parties, change the designation or address of the person specified in Attachment B as the person who receives notices pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original effective agreement among the Parties.

California Independent System Operator Corporation

By: _____

Title: _____

Date:

Pacific Gas and Electric Company

By: _____

Title: _____

Date:

San Diego Gas & Electric Company

By: _____

Title: _____

Date:

Southern California Edison Company

By: _____

Title: _____

Date:

ATTACHMENT A

INTERCONNECTION STUDY RESPONSIBILITY ALLOCATION

Description of Large Generator Interconnection Process: Roles and Responsibilities of ISO and PTOs.

Purpose: This Attachment A to the "AGREEMENT FOR THE ALLOCATION OF RESPONSIBILITIES WITH REGARD TO LARGE GENERATOR INTERCONNECTION PROCEDURES AND INTERCONNECTION STUDY AGREEMENTS" serves as further clarification of the roles and responsibilities of the parties to this Agreement. The ISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTOs, under the direction and oversight of, and approval by, the ISO, as set forth in this Attachment A. This document serves as a general overview of only the roles and responsibilities as between the ISO and PTOs. This Agreement does not include the process steps, involvement or obligations of the Interconnection Customer (IC). This Agreement is not inclusive of all procedures necessary to comply with all provisions of the LGIA, LGIP and Interconnection Study agreements.

Interconnection Request (IR) Process

1. ISO forwards the IR to the PTO within 1 Business Day (BD) of receipt of IR from Interconnection Customer (IC)
2. PTO(s) provides any feed back regarding IR to ISO within 3 BD
3. PTO(s) provides draft study plan at Scoping Meeting.
4. ISO distributes draft Scoping Meeting Minutes for review within 3 BD of Scoping Meeting.
5. PTO(s) provide any comments to the Scoping Meeting Minutes within 2 BD of receipt of draft Scoping Meeting Minutes.
6. ISO issues the final Scoping Meeting Minutes within 3 BD of receipt of comments.

Interconnection Feasibility Study Process:

1. ISO forwards IC Point of Interconnection and any Appendix 1, Attachment A data to the PTO(s) within 1 BD of ISO receipt.
2. PTO(s) develop updated draft study plan based on technical data collected by ISO from IC within 7 BD.
3. ISO and PTO(s) coordinate to finalize study plan within 2 BD. ISO approves the study plan.
4. ISO tenders a signed IFSA to IC, with final study plan included in Attachment A, within 5 BD (for a total of 15 BD from ISO receipt of Point of Interconnection from IC in accordance with LGIP Section 6.1).
5. After ISO receives executed study agreement, ISO forwards any additional Appendix 1, Attachment A data to PTO(s) within 1 BD.
6. If during the course of the assigned portions of the study the PTO(s) determines the data is not sufficient to complete the study, PTO(s) informs ISO and ISO notices IC in accordance with LGIP Section 3.8.
7. PTO(s) must participate in study review meeting; date to be agreeable to PTO(s) and within 10 BD of ISO providing study report to IC (LGIP Section 6.3.1).
8. ISO and PTO collaborate on any re-study issues. ISO will direct any necessary re-studies.

Interconnection Feasibility Study Timeline

Load Flow	Typical Calendar Days	Typical Cumulative Days
ISO directs PTO(s) to Develop draft Base Cases (Milestone)	0	0
PTO(s) develop draft Base Cases and deliver to ISO	7	7
ISO reviews Base Cases and provides direction to PTO(s) At the direction of the ISO, PTO(s) develops contingency lists and provide to ISO.	7	14
PTO incorporates ISO directions into Base Cases; ISO approves Base Cases; ISO reviews and approves contingency lists. If there is disagreement on the contingency list, the ISO and PTO(s) must coordinate to revise the contingency list. ISO approves the contingency list.	7	21
ISO performs Load Flow & prepares summary results of impacted systems (other PTO(s) or Affected Systems) and submits results to impacted systems. Such results may include ISO proposed solutions for mitigation to any violations uncovered in the Load Flow study.	7	28
Impacted PTO(s) review ISO results and recommend mitigation solutions as appropriate.	5	33
Short Circuit Duty (concurrent with Load Flow Activity)		
At the ISO's direction, PTO(s) Develop Base Case, and run short circuit analyses.	10	10
PTO(s) to perform facilities review	18	28
PTO(s) prepare draft study results and submit to the ISO for review, recommendations and direction.	5	33
Facility cost estimates		
At the ISO's direction, PTO(s) to prepare non-binding cost estimates and schedule for the direct assignment facilities and network upgrades identified in the power flow and short circuit duty analyses.	7	40
Finalizing Report		
At the ISO's direction, PTO(s) to prepare draft report for impacts in their service territory.	5	45
ISO compiles all results into a draft report that covers grid impacts.	5	50
PTO(s) reviews ISO integrated report and provides comments to ISO.	4	54
ISO incorporates PTO(s) comments. If PTO(s)' comments conflict with ISO conclusions, then ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in final report.	6	60
ISO provides final ISO approved report to IC, impacted PTOs, and any applicable Affected Systems. (Milestone)	0	0

Interconnection System Impact Study Process

1. Prior to beginning the ISIS process as outlined in this Attachment A, the ISO will notify the PTOs of potential seams issues and discuss the nature of the concerns with the PTOs. Where the ISO determines that there is a reasonable expectation that the new Large Generating Facility to be interconnected in one PTO area may impact system performance in other PTO areas within the ISO Controlled Grid that does not comply with the applicable planning standards, the ISO will conduct or cause to be performed the ISIS Load Flow, Post Transient and Stability analyses, as appropriate, to assess the extent of the impact on the grid and evaluate mitigation solutions. Applicable planning standards include FERC approved ISO Planning Standards, as may be amended from time to time, and the NERC/WECC Planning Standards, as may be amended from time to time. Further, there may be circumstances where information, including available studies, is not sufficient for the ISO to make a reasonable engineering determination whether the new Large Generating Facility to be interconnected in one PTO area could cause system performance in other PTO areas (i.e. within the ISO Controlled Grid) that does not comply with the applicable planning standards and, in such circumstances, the ISO may nonetheless conduct or cause to be performed the ISIS Load Flow, Post Transient and Stability analyses to make such a determination.
2. At the ISO's direction, the PTO develops a draft ISIS study plan and determines if available technical data is sufficient to complete ISIS.
3. PTO submits draft study plan to ISO for review, direction and approval within 7 BD of ISO tendering Interconnection Feasibility Study report to IC.
4. ISO and PTO coordinate to finalize study plan within 3 BD. ISO approves the study plan.
5. ISO tenders a signed ISISA to IC with final study plan included in Attachment A, within 3 BD.
6. Upon receipt of executed study agreement, ISO forwards any additional Attachment A, Appendix 1 data to PTO(s) within 1 BD.
7. If the data provided by IC is insufficient to perform the study, PTO notifies ISO within 2 BD of ISO receipt of the executed study agreement, and the ISO notifies the IC within 2 BD (total of 5 BD per LGIP Section 7.2) to correct any deficiencies within 10 BD or the IR will be deemed withdrawn, triggering LGIP Section 3.8.
8. PTO must participate in study review meeting; date to be agreeable to PTO and within 10 BD of ISO providing study report to IC (LGIP Section 7.5).
9. ISO to confer with PTO as to the need for a Re-study. ISO makes the final determination subject to dispute resolution procedures.

Interconnection System Impact Study Timeline

Standard System Impact Study Load Flow/Post Transient/Stability Process	Typical Calendar Days	Typical Cumulative Days
At the ISO's direction, PTO(s) develop draft Base Case(s)	0	0
PTO(s) develop(s) draft base case(s) and deliver(s) to ISO	14	14
ISO reviews Base Case(s) and provides direction to PTO	7	21
At the ISO's direction, PTO develops contingency lists		
PTO incorporates ISO directions into Base Cases ISO approves Base Case(s) ISO reviews and approves contingency lists	7	28
At the ISO's direction, the PTO may perform the ISIS Load Flow, Post Transient and Stability analyses & prepare mitigation solutions, as appropriate and submits draft study results to ISO for review and direction*.	21	49
<p>*Pursuant to the terms of item 1 above: where the ISO performs the ISIS Load Flow, Post Transient and Stability analyses to determine grid impacts and evaluate mitigation solutions, the potentially impacted PTOs may, as part of the review process, perform Load Flow, Post Transient and Stability Analysis to assess ISO results and recommend alternative solutions. (In the case of this election, "PTOs" should be substituted for "PTO" for remainder of ISIS process.)</p>		
PTO develops or supplements ISO proposed mitigation plans and/or develops alternative mitigation plans for consideration, as appropriate, and submits to ISO for review and direction	14	63
Short Circuit Duty (concurrent with the LF/PT/S)		
ISO to coordinate with other potentially affected facility owners ¹	n/a	n/a
ISO directs PTO to develop Base Case and run short circuit analysis	21	21
PTO to perform facilities review	35	56
PTO to prepare draft study results and submits to the ISO for review and direction	7	63
Facility cost estimates and schedules		
At the ISO direction, PTO(s) to prepare cost estimates and schedules for the direct assignment facilities and network upgrades identified in the ISIS power flow, short circuit duty, post transient, and stability studies.	20	83

¹ In accordance with the WECC Short Circuit Duty Procedure

Final Report		
At the ISO's direction, PTO(s) prepares draft report for impacts in their service territory.	7	90
ISO compiles all results into a draft report that covers grid impacts, as appropriate. ISO reviews integrated draft report and submits comments, recommendations and direction to the PTO	9	99
PTO incorporates ISO directions, conclusions and recommendations. If ISO conclusions and recommendations conflict with PTO conclusions then ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in the final report.	14	113
PTO submits final draft report less the deliverability results to the ISO. The ISO will finalize the report and tender the ISO approved report to the IC after incorporating Deliverability results.		
ISO Deliverability Assessment (concurrent with other studies) As part of the Deliverability Assessment process pursuant to LGIP Section 3.3.3, the ISO may also perform studies pursuant to LGIP Section 3.3.2 to determine potential operating limitations on the generator due to constraints under a variety of system conditions.		
PTO provides GE PSLF compatible change files for all project changes since last Deliverability Assessment, including subject LGIP project.	14	14
ISO incorporates project changes into Deliverability Base Case.	7	21
ISO provides Deliverability Study & prepares results summary.	14	35
ISO provides Initial Deliverability results with no upgrades and upgrades necessary for full Deliverability	14	49
ISO reviews Load Flow, post transient, and stability analysis mitigation options. (The timing of this action should be in sync with completion of Load Flow study results)	11	60
ISO has the opportunity to revise Deliverability Upgrades necessary for full Deliverability, based on optimization with LF results.	7	67
At the ISO's direction, PTO to provide Deliverability related upgrade costs and schedules, as appropriate. (This action should occur when PTO is performing cost analysis for Load Flow and Short Circuit Duty upgrades)	16	83
ISO drafts Deliverability study results.	7	90
PTO reviews/comments on Deliverability results.	12	102
ISO incorporates PTO comments on the Deliverability results, as appropriate. Any remaining conflicts must be noted in final report.	11	113
Final Study Report		
ISO provides final approved report to IC, PTO, and any applicable affected systems.	7	120

Interconnection Facilities Study Process**

**All Interconnection Facilities Studies will be under the direction and oversight of, and approval by, the ISO and may involve more than one PTO.

1. Within 5 BD of the ISIS Study Review Meeting, the PTO develops draft Interconnection Facilities Study plan and submits to ISO for review and approval.
2. ISO submits executed Interconnection Facilities Study Agreement to IC within 5 BD.
3. Upon receipt of executed Interconnection Facilities Study Agreement from IC, ISO submits to PTO technical data provided by IC within 1 BD.
4. If the data provided by IC is insufficient to perform the study, PTO notifies ISO within 3 BD and the ISO notifies the IC within 2 BD (total of 5 BD per LGIP) that IR is deemed withdrawn and the reason for the withdrawal. IC has 15 BD to cure withdrawal notice (LGIP goes directly to withdrawal pursuant to Section 3.8).
5. PTO conducts Interconnection Facilities Study and submits draft report to ISO.
6. ISO forwards draft report to IC for comments.
7. ISO forwards IC comments or notice of no comments to PTO within 1 BD of receipt.
8. PTO incorporates IC Comments within 5 BDs and submits updated draft to ISO for review and comment.
9. ISO reviews and comments, provides recommendations and direction on PTO draft Interconnection Facilities Study report within 2 BD.
10. PTO reviews/incorporates ISO directions within 5 BD and sends revised report to ISO.
11. ISO issues final report to IC within 2 BD (total of 15 BD). If PTO comments conflict with ISO recommendations and conclusions, ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in the final report.
12. ISO, PTO(s), and IC meet within 10 BDs from issuance of draft report.
13. ISO and PTO collaborate on any re-study issues. ISO will direct any necessary re-studies and/or progress to LGIA process.

ATTACHMENT B
CONTACTS FOR NOTICES

[Section 4.15]

California ISO

Manager, Transmission Engineering
151 Blue Ravine Road
Folsom, CA 95630
Phone: 916.351.2104
Fax: 916.351.2264

Pacific Gas and Electric Company

Manager, Transmission Planning
Pacific Gas and Electric Co.
245 Market St., Mail Code N14K
P.O. Box 770000
San Francisco CA 94177-0001
(415) 973-3479

San Diego Gas & Electric Company

Manager, Transmission Planning
San Diego Gas & Electric Company
8316 Century Park Court, CP52A
San Diego, CA 92123-1582
Fax: 858-654-1692

Southern California Edison Company

Director of Grid Contracts
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, California 91770
Phone: 626-302-1771
Fax: 626-302-1152

**AGREEMENT FOR THE ALLOCATION
OF RESPONSIBILITIES WITH REGARD TO
LARGE GENERATOR INTERCONNECTION PROCEDURES AND
INTERCONNECTION STUDY AGREEMENTS**

This Agreement for the Allocation of Responsibilities With Regard to Large Generator Interconnection Procedures and Interconnection Study Agreements ("Agreement"), dated November 1, 2005, is entered into among the California Independent System Operator Corporation ("ISO") and Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (collectively, "PTOs"). The ISO and PTOs are jointly referred to as the "Parties" and individually, as a "Party."

WHEREAS, this Agreement will ensure an independent assessment of new Large Generating Facility impacts on the ISO Controlled Grid and take advantage of the respective expertise of the Parties to facilitate efficient and cost effective Interconnection Study procedures in a manner consistent with the Federal Energy Regulatory Commission's ("FERC") July 1, 2005 Order (112 FERC ¶ 61,009), FERC's August 26, 2005 Order (112 FERC ¶ 61,231), and prior FERC Orders recognizing that Order No. 2003 did not allocate responsibilities between transmission owners and transmission providers for the provision of Interconnection Service and suggesting those parties enter into an agreement to allocate those responsibilities. Southwest Power Pool, Inc., 106 FERC ¶ 61,254 (2004).

NOW THEREFORE, in view of the respective responsibilities assigned to the Parties and the foregoing FERC orders, the ISO and PTOs that have executed this

Agreement agree to the following allocation of responsibilities for a centralized Interconnection Study process under the direction and oversight of the ISO:

1. DEFINITIONS.

Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the ISO Tariff.

2. TERM OF AGREEMENT.

This Agreement shall become effective upon the date the provisions of the ISO Tariff implementing the centralized Interconnection Study process required by the July 1 Order and the August 26 Order are accepted and made effective by FERC, and shall remain in effect until (1) terminated by all Parties in writing, or (2) with respect to any single PTO, upon the termination of that entity's status as a PTO pursuant to the Transmission Control Agreement, as amended from time to time.

3. PROVISIONS FOR ALLOCATION OF RESPONSIBILITIES BETWEEN ISO AND PTOs.

3.1 Interconnection Service: The Parties acknowledge that, as the transmission provider, the ISO is responsible for reliably operating the transmission grid. The Parties also recognize that while the ISO is a transmission provider under the ISO Tariff, the ISO does not own any transmission facilities, and the PTOs own, construct, and maintain the facilities to which Large Generating Facilities are to be interconnected, and that the PTOs may construct or modify facilities to allow the interconnection. While the Parties recognize that the ISO will be responsible for conducting or causing to be performed Interconnection Studies and similar studies, the PTOs will participate in these studies and

conduct certain portions of studies, under the direction and oversight of, and approval by, the ISO, as provided in this Agreement. The ISO shall not enter into any Interconnection Study agreement with an Interconnection Customer that is contrary to these rights.

3.2 Conflicts Between Agreements: In the event of any conflict between provisions of this Agreement and an individual Interconnection Study agreement entered into between the ISO and an Interconnection Customer or the ISO Tariff, the provisions of this Agreement shall control.

3.3 Transmission Owners' Right to Participation in Studies, Committees and Meetings:

3.3.1 In the event that an Interconnection Customer proposes to interconnect a Large Generating Facility with a PTO's facilities, or a PTO is an owner of an affected system, that PTO shall have the right to participate in any Interconnection Feasibility Study, Interconnection System Impact Study, Interconnection Facilities Study, or any other study conducted in connection with such request for Interconnection Service. "Participate" in this Section 3.3.1 means physically perform any study or portion thereof in connection with an Interconnection Request, under the direction and oversight of, and approval by, the ISO pursuant to Section 3.4 of this Agreement; provide or receive input, data or other information regarding any study or portion thereof consistent with Section 3.4 of this Agreement; and, when any study or portion

thereof in connection with an Interconnection Request is physically performed by an entity other than the PTO, perform activities necessary to adequately review or validate, as appropriate, any results of the study or portions thereof and provide recommendations.

3.3.2 In the event that an Interconnection Customer proposes to interconnect a Large Generating Facility with a PTO's facilities, or a PTO is an owner of an affected system, that PTO shall have the right to participate in all meetings expressly established pursuant to the ISO LGIP. As appropriate, the PTOs may participate in all other material or substantive communications in connection with an Interconnection Request.

3.4 Interconnection Study Responsibility Allocation: In complying with its responsibility for conducting or causing to be performed Interconnection Studies, the ISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTO(s), under the direction and oversight of, and approval by, the ISO, as set forth in Attachment A, except as specifically qualified as follows:

3.4.1 Unless an Interconnection Customer specifically requests that a third party perform an Interconnection Study pursuant to LGIP Section 13.4, for any tasks specifically assigned to the PTO(s) pursuant to Attachment A or otherwise mutually agreed upon by the ISO and the affected PTO(s), the ISO reserves the right, on a case-by-case basis, to perform or reassign to a mutually agreed upon and pre-qualified contractor such task only where: (a) the quality and accuracy of prior PTO Interconnection Study work product resulting from assigned tasks has been deemed deficient by the ISO, the ISO has notified the PTO pursuant to notice provision Section 4.16 in writing of the deficiency, and the deficiency has not been cured pursuant to Section 3.4.2; (b) the timeliness of PTO Interconnection Study work product has been deemed deficient, and either (i) the ISO has not been notified of the reasons and actions taken to address the timeliness of the work, or (ii) if notified, the stated reasons and actions taken are insufficient or unjustifiable and the PTO has not cured the deficiency pursuant to Section 3.4.2; (c) the PTO has failed, in a mutually agreed upon timeframe, to provide the ISO with information or data related to an Interconnection Request despite a written request by the ISO, pursuant to Section 3.5 hereof, to do so, and such data is the responsibility of the PTO to provide to the ISO, subject to Section 4.3 of this Agreement; (d) the PTO advises the ISO in writing that it

does not have the resources to adequately or timely perform the task according to the applicable timelines set forth in Attachment A; or (e) the estimated cost of the PTO performing the task has been determined in writing by the ISO to significantly exceed the cost of the ISO or mutually agreed upon contractor performing the task, inclusive of the costs that will be incurred by the PTO in exercising its review rights of the results of any such tasks performed by such third party(ies).

If the ISO deviates from the assignments set forth in Attachment A based on the foregoing factors, the ISO will provide any affected PTO with a written explanation for the deviation and any associated reassignments of work. The PTO may contest the deviation pursuant to the Dispute Resolution procedures set forth in Section 4.1 of this Agreement.

Task(s) may only be reassigned in accordance with this Section 3.4.1 where the PTO has been deemed to be deficient in relation to that (those) particular task(s).

3.4.2 Cure for re-assigned Interconnection Study work

The ISO shall not reassign task(s) without the opportunity to cure, as specified in Section 3.4.1. The following actions will serve to

cure the deficiencies and result in restoring the assignment(s) as provided in Attachment A:

- a) The ISO and PTO shall negotiate in good faith and agree to a corrective action plan proposed by the PTO, including a reasonably adequate cure period, and the corrective action plan is satisfactorily implemented.
- b) The ISO determines the deficiency is cured without an action plan.

3.4.3 Assessment of prior PTO Interconnection Study work shall only be based on work conducted under the process that becomes effective concurrent with the effective date of this Agreement. Further, assessment of prior PTO Interconnection Study work shall be based on work conducted no earlier than the eighteen (18) month period prior to the date of the ISO notice of deviation from assignments set forth in Attachment A to this Agreement.

3.5 Information Exchange: The PTO shall provide the ISO, subject to confidentiality requirements in Section 4.3, with any documentation or data requested by the ISO reasonably necessary to permit the ISO to perform, review, validate and approve any Interconnection Study, or portion thereof, performed by the PTO. The ISO shall provide the PTO with any documentation or data requested by the PTO, subject to confidentiality requirements in Section 4.3, reasonably necessary to perform, review, and validate any Interconnection Study, or portion thereof.

- 3.6 Consistency with Provisions for Centralized Interconnection Study Process.** The ISO and PTOs have determined that the processes and allocation of responsibilities in Section 3.4 of this Agreement ensure that impacts to the ISO Controlled Grid are independently assessed and that the assignment of responsibilities minimizes handoffs, takes advantage of non-transferable skills, and promotes the efficiency and cost-effectiveness of the centralized Interconnection Study processes, consistent with LGIP Section 3.2.
- 3.7 Re-Studies:** If any re-studies are required, the ISO will confer with the applicable PTO(s) as to the need for a re-study. The ISO will make the final determination regarding the need for a re-study, subject to dispute resolution procedures.
- 3.8 Use of Contractors:** Nothing in this Agreement shall prevent either the ISO or a PTO from using qualified, mutually agreed upon third party contractors to meet that Party's rights or obligations under this Agreement or the LGIP. To promote the efficiency of the process, the ISO and PTOs will collaborate to identify a list of the mutually agreed to qualified contractors available to the Parties.
- 3.9 Performance Standards:** Each Party shall perform all of its obligations under the LGIP, this Agreement, and any FERC approved Interconnection Study procedures that may be adopted by the ISO to implement the LGIP or this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice.

3.10 Recovery of Costs: In accordance with Section 13.3 of the LGIP, the PTOs shall recover all actual costs from the ISO incurred in performing Interconnection Studies or portions thereof assigned to them by the ISO, including all costs incurred in exercising their right to review, and make recommendations on, Interconnection Studies or portions thereof performed by the ISO and/or contractors under Section 3.8 of this Agreement.

4. GENERAL TERMS AND CONDITIONS.

4.1 Dispute Resolution: In the event any dispute regarding the terms, conditions, and performance of this Agreement is not settled informally, the Parties shall follow the ISO ADR Procedures set forth in Section 13 of the ISO Tariff.

4.2 Liability: No Party to this Agreement shall be liable to any other Party for any direct, indirect, special, incidental or consequential losses, damages, claims, liabilities, costs or expenses (including attorneys fees and court costs) arising from the performance or non-performance of its obligations under this Agreement regardless of the cause (including intentional action, willful action, gross or ordinary negligence, or force majeure); provided, however, that a Party may seek equitable or other non-monetary relief as may be necessary to enforce this Agreement and that damages for which a Party may be liable to another Party under another agreement will not be considered damages under this Agreement.

- 4.3 Confidentiality:** Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 4.4 Binding Effect:** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 4.5 Conflicts:** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 4.6 Rules of Interpretation:** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this 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 Agreement or such Appendix to this 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 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".

- 4.7 Entire Agreement:** This Agreement, including all Attachments hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants, which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Agreement.
- 4.8 No Third Party Beneficiaries:** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

4.9 Waiver: The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by a Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this 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 Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

4.10 Headings: The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

4.11 Multiple Counterparts: This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

4.12 Modification by the Parties: The Parties amend this Agreement and any Appendices to this Agreement only (1) by mutual agreement of the Parties by a written instrument duly executed by the Parties, subject to FERC approval or (2) upon the issuance of a FERC order, pursuant to Section 206 of the Federal Power Act. It is the Parties' intent that FERC's right to change any provision of this Agreement shall be limited to the maximum extent permissible by law and that any such change, if permissible, shall be in accordance with the Mobile-Sierra public interest standard applicable to fixed rate agreements. *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956). Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations. Notwithstanding the foregoing, Attachment B (Notices) may be modified as set forth in Section 4.15, and the ISO and the affected PTO(s) may from time to time mutually agree to deviate from Attachment A in accordance with the provisions of this Agreement, however, such deviation shall be subject to Section 4.9 and not considered a course of dealing.

4.13 No Partnership: This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to

act as or be an agent or representative of, or to otherwise bind, another Party.

4.14 Assignment: This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

4.15 Notices: Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, will be in writing, and deemed properly served, given, or made if delivered in person, transmitted by facsimile, or sent by United States mail, postage prepaid, to the persons specified in Attachment B hereto unless otherwise provided in this Agreement. Any Party may at any time, by notice to all other Parties, change the designation or address of the person specified in Attachment B as the person who receives notices pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original effective agreement among the Parties.

California Independent System Operator Corporation

By: _____

Title: _____

Date:

Pacific Gas and Electric Company

By: _____

Title: _____

Date:

San Diego Gas & Electric Company

By: _____

Title: _____

Date:

Southern California Edison Company

By: _____

Title: _____

Date:

Issued by: James A. Cuillier
Manager, FERC Rates & Regulation
Issued on: November 1, 2005

Effective: Date Assigned by Commission

ATTACHMENT A

INTERCONNECTION STUDY RESPONSIBILITY ALLOCATION

Description of Large Generator Interconnection Process: Roles and Responsibilities of ISO and PTOs.

Purpose: This Attachment A to the "AGREEMENT FOR THE ALLOCATION OF RESPONSIBILITIES WITH REGARD TO LARGE GENERATOR INTERCONNECTION PROCEDURES AND INTERCONNECTION STUDY AGREEMENTS" serves as further clarification of the roles and responsibilities of the parties to this Agreement. The ISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTOs, under the direction and oversight of, and approval by, the ISO, as set forth in this Attachment A. This document serves as a general overview of only the roles and responsibilities as between the ISO and PTOs. This Agreement does not include the process steps, involvement or obligations of the Interconnection Customer (IC). This Agreement is not inclusive of all procedures necessary to comply with all provisions of the LGIA, LGIP and Interconnection Study agreements.

Interconnection Request (IR) Process

1. ISO forwards the IR to the PTO within 1 Business Day (BD) of receipt of IR from Interconnection Customer (IC)
2. PTO(s) provides any feed back regarding IR to ISO within 3 BD
3. PTO(s) provides draft study plan at Scoping Meeting.
4. ISO distributes draft Scoping Meeting Minutes for review within 3 BD of Scoping Meeting.
5. PTO(s) provide any comments to the Scoping Meeting Minutes within 2 BD of receipt of draft Scoping Meeting Minutes.
6. ISO issues the final Scoping Meeting Minutes within 3 BD of receipt of comments.

Interconnection Feasibility Study Process:

1. ISO forwards IC Point of Interconnection and any Appendix 1, Attachment A data to the PTO(s) within 1 BD of ISO receipt.
2. PTO(s) develop updated draft study plan based on technical data collected by ISO from IC within 7 BD.
3. ISO and PTO(s) coordinate to finalize study plan within 2 BD. ISO approves the study plan.
4. ISO tenders a signed IFSA to IC, with final study plan included in Attachment A, within 5 BD (for a total of 15 BD from ISO receipt of Point of Interconnection from IC in accordance with LGIP Section 6.1).
5. After ISO receives executed study agreement, ISO forwards any additional Appendix 1, Attachment A data to PTO(s) within 1 BD.
6. If during the course of the assigned portions of the study the PTO(s) determines the data is not sufficient to complete the study, PTO(s) informs ISO and ISO notices IC in accordance with LGIP Section 3.8.
7. PTO(s) must participate in study review meeting; date to be agreeable to PTO(s) and within 10 BD of ISO providing study report to IC (LGIP Section 6.3.1).
8. ISO and PTO collaborate on any re-study issues. ISO will direct any necessary re-studies.

Issued by: James A. Cuillier
Manager, FERC Rates & Regulation

Issued on: November 1, 2005

Effective: Date Assigned by Commission

Interconnection Feasibility Study Timeline

Load Flow	Typical Calendar Days	Typical Cumulative Days
ISO directs PTO(s) to Develop draft Base Cases (Milestone)	0	0
PTO(s) develop draft Base Cases and deliver to ISO	7	7
ISO reviews Base Cases and provides direction to PTO(s) At the direction of the ISO, PTO(s) develops contingency lists and provide to ISO.	7	14
PTO incorporates ISO directions into Base Cases; ISO approves Base Cases; ISO reviews and approves contingency lists. If there is disagreement on the contingency list, the ISO and PTO(s) must coordinate to revise the contingency list. ISO approves the contingency list.	7	21
ISO performs Load Flow & prepares summary results of impacted systems (other PTO(s) or Affected Systems) and submits results to impacted systems. Such results may include ISO proposed solutions for mitigation to any violations uncovered in the Load Flow study.	7	28
Impacted PTO(s) review ISO results and recommend mitigation solutions as appropriate.	5	33
Short Circuit Duty (concurrent with Load Flow Activity)		
At the ISO's direction, PTO(s) Develop Base Case, and run short circuit analyses.	10	10
PTO(s) to perform facilities review	18	28
PTO(s) prepare draft study results and submit to the ISO for review, recommendations and direction.	5	33
Facility cost estimates		
At the ISO's direction, PTO(s) to prepare non-binding cost estimates and schedule for the direct assignment facilities and network upgrades identified in the power flow and short circuit duty analyses.	7	40
Finalizing Report		
At the ISO's direction, PTO(s) to prepare draft report for impacts in their service territory.	5	45
ISO compiles all results into a draft report that covers grid impacts.	5	50
PTO(s) reviews ISO integrated report and provides comments to ISO.	4	54
ISO incorporates PTO(s) comments. If PTO(s)' comments conflict with ISO conclusions, then ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in final report.	6	60
ISO provides final ISO approved report to IC, Impacted PTOs, and any applicable Affected Systems. (Milestone)	0	0

Interconnection System Impact Study Process

1. Prior to beginning the ISIS process as outlined in this Attachment A, the ISO will notify the PTOs of potential seams issues and discuss the nature of the concerns with the PTOs. Where the ISO determines that there is a reasonable expectation that the new Large Generating Facility to be interconnected in one PTO area may impact system performance in other PTO areas within the ISO Controlled Grid that does not comply with the applicable planning standards, the ISO will conduct or cause to be performed the ISIS Load Flow, Post Transient and Stability analyses, as appropriate, to assess the extent of the impact on the grid and evaluate mitigation solutions. Applicable planning standards include FERC approved ISO Planning Standards, as may be amended from time to time, and the NERC/WECC Planning Standards, as may be amended from time to time. Further, there may be circumstances where information, including available studies, is not sufficient for the ISO to make a reasonable engineering determination whether the new Large Generating Facility to be interconnected in one PTO area could cause system performance in other PTO areas (i.e. within the ISO Controlled Grid) that does not comply with the applicable planning standards and, in such circumstances, the ISO may nonetheless conduct or cause to be performed the ISIS Load Flow, Post Transient and Stability analyses to make such a determination.
2. At the ISO's direction, the PTO develops a draft ISIS study plan and determines if available technical data is sufficient to complete ISIS.
3. PTO submits draft study plan to ISO for review, direction and approval within 7 BD of ISO tendering Interconnection Feasibility Study report to IC.
4. ISO and PTO coordinate to finalize study plan within 3 BD. ISO approves the study plan.
5. ISO tenders a signed ISISA to IC with final study plan included in Attachment A, within 3 BD.
6. Upon receipt of executed study agreement, ISO forwards any additional Attachment A, Appendix 1 data to PTO(s) within 1 BD.
7. If the data provided by IC is insufficient to perform the study, PTO notifies ISO within 2 BD of ISO receipt of the executed study agreement, and the ISO notifies the IC within 2 BD (total of 5 BD per LGIP Section 7.2) to correct any deficiencies within 10 BD or the IR will be deemed withdrawn, triggering LGIP Section 3.8.
8. PTO must participate in study review meeting; date to be agreeable to PTO and within 10 BD of ISO providing study report to IC (LGIP Section 7.5).
9. ISO to confer with PTO as to the need for a Re-study. ISO makes the final determination subject to dispute resolution procedures.

Interconnection System Impact Study Timeline

Standard System Impact Study Load Flow/Post Transient/Stability Process	Typical Calendar Days	Typical Cumulative Days
At the ISO's direction, PTO(s) develop draft Base Case(s)	0	0
PTO(s) develop(s) draft base case(s) and deliver(s) to ISO	14	14
ISO reviews Base Case(s) and provides direction to PTO	7	21
At the ISO's direction, PTO develops contingency lists		
PTO incorporates ISO directions into Base Cases ISO approves Base Case(s) ISO reviews and approves contingency lists	7	28
At the ISO's direction, the PTO may perform the ISIS Load Flow, Post Transient and Stability analyses & prepare mitigation solutions, as appropriate and submits draft study results to ISO for review and direction*.	21	49
<p>*Pursuant to the terms of item 1 above: where the ISO performs the ISIS Load Flow, Post Transient and Stability analyses to determine grid impacts and evaluate mitigation solutions, the potentially impacted PTOs may, as part of the review process, perform Load Flow, Post Transient and Stability Analysis to assess ISO results and recommend alternative solutions. (In the case of this election, "PTOs" should be substituted for "PTO" for remainder of ISIS process.)</p>		
PTO develops or supplements ISO proposed mitigation plans and/or develops alternative mitigation plans for consideration, as appropriate, and submits to ISO for review and direction	14	63
Short Circuit Duty (concurrent with the LF/PT/S)		
ISO to coordinate with other potentially affected facility owners ¹	n/a	n/a
ISO directs PTO to develop Base Case and run short circuit analysis	21	21
PTO to perform facilities review	35	56
PTO to prepare draft study results and submits to the ISO for review and direction	7	63
Facility cost estimates and schedules		
At the ISO direction, PTO(s) to prepare cost estimates and schedules for the direct assignment facilities and network upgrades identified in the ISIS power flow, short circuit duty, post transient, and stability studies.	20	83

¹ In accordance with the WECC Short Circuit Duty Procedure

Final Report		
At the ISO's direction, PTO(s) prepares draft report for impacts in their service territory.	7	90
ISO compiles all results into a draft report that covers grid impacts, as appropriate. ISO reviews integrated draft report and submits comments, recommendations and direction to the PTO	9	99
PTO incorporates ISO directions, conclusions and recommendations. If ISO conclusions and recommendations conflict with PTO conclusions then ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in the final report.	14	113
PTO submits final draft report less the deliverability results to the ISO. The ISO will finalize the report and tender the ISO approved report to the IC after incorporating Deliverability results.		
ISO Deliverability Assessment (concurrent with other studies) As part of the Deliverability Assessment process pursuant to LGIP Section 3.3.3, the ISO may also perform studies pursuant to LGIP Section 3.3.2 to determine potential operating limitations on the generator due to constraints under a variety of system conditions.		
PTO provides GE PSLF compatible change files for all project changes since last Deliverability Assessment, including subject LGIP project.	14	14
ISO incorporates project changes into Deliverability Base Case.	7	21
ISO provides Deliverability Study & prepares results summary.	14	35
ISO provides Initial Deliverability results with no upgrades and upgrades necessary for full Deliverability	14	49
ISO reviews Load Flow, post transient, and stability analysis mitigation options. (The timing of this action should be in sync with completion of Load Flow study results)	11	60
ISO has the opportunity to revise Deliverability Upgrades necessary for full Deliverability, based on optimization with LF results.	7	67
At the ISO's direction, PTO to provide Deliverability related upgrade costs and schedules, as appropriate. (This action should occur when PTO is performing cost analysis for Load Flow and Short Circuit Duty upgrades)	16	83
ISO drafts Deliverability study results.	7	90
PTO reviews/comments on Deliverability results.	12	102
ISO incorporates PTO comments on the Deliverability results, as appropriate. Any remaining conflicts must be noted in final report.	11	113
Final Study Report		
ISO provides final approved report to IC, PTO, and any applicable affected systems.	7	120

Interconnection Facilities Study Process**

**All Interconnection Facilities Studies will be under the direction and oversight of, and approval by, the ISO and may involve more than one PTO.

1. Within 5 BD of the ISIS Study Review Meeting, the PTO develops draft Interconnection Facilities Study plan and submits to ISO for review and approval.
2. ISO submits executed Interconnection Facilities Study Agreement to IC within 5 BD.
3. Upon receipt of executed Interconnection Facilities Study Agreement from IC, ISO submits to PTO technical data provided by IC within 1 BD.
4. If the data provided by IC is insufficient to perform the study, PTO notifies ISO within 3 BD and the ISO notifies the IC within 2 BD (total of 5 BD per LGIP) that IR is deemed withdrawn and the reason for the withdrawal. IC has 15 BD to cure withdrawal notice (LGIP goes directly to withdrawal pursuant to Section 3.8).
5. PTO conducts Interconnection Facilities Study and submits draft report to ISO.
6. ISO forwards draft report to IC for comments.
7. ISO forwards IC comments or notice of no comments to PTO within 1 BD of receipt.
8. PTO incorporates IC Comments within 5 BDs and submits updated draft to ISO for review and comment.
9. ISO reviews and comments, provides recommendations and direction on PTO draft Interconnection Facilities Study report within 2 BD.
10. PTO reviews/incorporates ISO directions within 5 BD and sends revised report to ISO.
11. ISO issues final report to IC within 2 BD (total of 15 BD). If PTO comments conflict with ISO recommendations and conclusions, ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in the final report.
12. ISO, PTO(s), and IC meet within 10 BDs from issuance of draft report.
13. ISO and PTO collaborate on any re-study issues. ISO will direct any necessary re-studies and/or progress to LGIA process.

ATTACHMENT B
CONTACTS FOR NOTICES

[Section 4.15]

California ISO

Manager, Transmission Engineering
151 Blue Ravine Road
Folsom, CA 95630
Phone: 916.351.2104
Fax: 916.351.2264

Pacific Gas and Electric Company

Manager, Transmission Planning
Pacific Gas and Electric Co.
245 Market St., Mail Code N14K
P.O. Box 770000
San Francisco Ca 94177-0001
415.973.3479

San Diego Gas & Electric Company

Manager, Transmission Planning
San Diego Gas & Electric Company
8316 Century Park Court, CP52A
San Diego, CA 92123-1582
Fax: 858-654-1692

Southern California Edison Company

Director of Grid Contracts
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, California 91770
Phone: 626-302-1771
Fax: 626-302-1152

**AGREEMENT FOR THE ALLOCATION
OF RESPONSIBILITIES WITH REGARD TO
LARGE GENERATOR INTERCONNECTION PROCEDURES AND
INTERCONNECTION STUDY AGREEMENTS**

This Agreement for the Allocation of Responsibilities With Regard to Large Generator Interconnection Procedures and Interconnection Study Agreements ("Agreement"), dated November 1, 2005, is entered into among the California Independent System Operator Corporation ("ISO") and Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (collectively, "PTOs"). The ISO and PTOs are jointly referred to as the "Parties" and individually, as a "Party."

WHEREAS, this Agreement will ensure an independent assessment of new Large Generating Facility impacts on the ISO Controlled Grid and take advantage of the respective expertise of the Parties to facilitate efficient and cost effective Interconnection Study procedures in a manner consistent with the Federal Energy Regulatory Commission's ("FERC") July 1, 2005 Order (112 FERC ¶ 61,009), FERC's August 26, 2005 Order (112 FERC ¶ 61,231), and prior FERC Orders recognizing that Order No. 2003 did not allocate responsibilities between transmission owners and transmission providers for the provision of Interconnection Service and suggesting those parties enter into an agreement to allocate those responsibilities. Southwest Power Pool, Inc., 106 FERC ¶ 61,254 (2004).

NOW THEREFORE, in view of the respective responsibilities assigned to the Parties and the foregoing FERC orders, the ISO and PTOs that have executed this

Agreement agree to the following allocation of responsibilities for a centralized Interconnection Study process under the direction and oversight of the ISO:

1. DEFINITIONS.

Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the ISO Tariff.

2. TERM OF AGREEMENT.

This Agreement shall become effective upon the date the provisions of the ISO Tariff implementing the centralized Interconnection Study process required by the July 1 Order and the August 26 Order are accepted and made effective by FERC, and shall remain in effect until (1) terminated by all Parties in writing, or (2) with respect to any single PTO, upon the termination of that entity's status as a PTO pursuant to the Transmission Control Agreement, as amended from time to time.

3. PROVISIONS FOR ALLOCATION OF RESPONSIBILITIES BETWEEN ISO AND PTOs.

3.1 Interconnection Service: The Parties acknowledge that, as the transmission provider, the ISO is responsible for reliably operating the transmission grid. The Parties also recognize that while the ISO is a transmission provider under the ISO Tariff, the ISO does not own any transmission facilities, and the PTOs own, construct, and maintain the facilities to which Large Generating Facilities are to be interconnected, and that the PTOs may construct or modify facilities to allow the interconnection. While the Parties recognize that the ISO will be responsible for conducting or causing to be performed Interconnection Studies and similar studies, the PTOs will participate in these studies and

conduct certain portions of studies, under the direction and oversight of, and approval by, the ISO, as provided in this Agreement. The ISO shall not enter into any Interconnection Study agreement with an Interconnection Customer that is contrary to these rights.

3.2 Conflicts Between Agreements: In the event of any conflict between provisions of this Agreement and an individual Interconnection Study agreement entered into between the ISO and an Interconnection Customer or the ISO Tariff, the provisions of this Agreement shall control.

3.3 Transmission Owners' Right to Participation in Studies, Committees and Meetings:

3.3.1 In the event that an Interconnection Customer proposes to interconnect a Large Generating Facility with a PTO's facilities, or a PTO is an owner of an affected system, that PTO shall have the right to participate in any Interconnection Feasibility Study, Interconnection System Impact Study, Interconnection Facilities Study, or any other study conducted in connection with such request for Interconnection Service. "Participate" in this Section 3.3.1 means physically perform any study or portion thereof in connection with an Interconnection Request, under the direction and oversight of, and approval by, the ISO pursuant to Section 3.4 of this Agreement; provide or receive input, data or other information regarding any study or portion thereof consistent with Section 3.4 of this Agreement; and, when any study or portion

thereof in connection with an Interconnection Request is physically performed by an entity other than the PTO, perform activities necessary to adequately review or validate, as appropriate, any results of the study or portions thereof and provide recommendations.

3.3.2 In the event that an Interconnection Customer proposes to interconnect a Large Generating Facility with a PTO's facilities, or a PTO is an owner of an affected system, that PTO shall have the right to participate in all meetings expressly established pursuant to the ISO LGIP. As appropriate, the PTOs may participate in all other material or substantive communications in connection with an Interconnection Request.

3.4 Interconnection Study Responsibility Allocation: In complying with its responsibility for conducting or causing to be performed Interconnection Studies, the ISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTO(s), under the direction and oversight of, and approval by, the ISO, as set forth in Attachment A, except as specifically qualified as follows:

3.4.1 Unless an Interconnection Customer specifically requests that a third party perform an Interconnection Study pursuant to LGIP Section 13.4, for any tasks specifically assigned to the PTO(s) pursuant to Attachment A or otherwise mutually agreed upon by the ISO and the affected PTO(s), the ISO reserves the right, on a case-by-case basis, to perform or reassign to a mutually agreed upon and pre-qualified contractor such task only where: (a) the quality and accuracy of prior PTO Interconnection Study work product resulting from assigned tasks has been deemed deficient by the ISO, the ISO has notified the PTO pursuant to notice provision Section 4.16 in writing of the deficiency, and the deficiency has not been cured pursuant to Section 3.4.2; (b) the timeliness of PTO Interconnection Study work product has been deemed deficient, and either (i) the ISO has not been notified of the reasons and actions taken to address the timeliness of the work, or (ii) if notified, the stated reasons and actions taken are insufficient or unjustifiable and the PTO has not cured the deficiency pursuant to Section 3.4.2; (c) the PTO has failed, in a mutually agreed upon timeframe, to provide the ISO with information or data related to an Interconnection Request despite a written request by the ISO, pursuant to Section 3.5 hereof, to do so, and such data is the responsibility of the PTO to provide to the ISO, subject to Section 4.3 of this Agreement; (d) the PTO advises the ISO in writing that it

does not have the resources to adequately or timely perform the task according to the applicable timelines set forth in Attachment A; or (e) the estimated cost of the PTO performing the task has been determined in writing by the ISO to significantly exceed the cost of the ISO or mutually agreed upon contractor performing the task, inclusive of the costs that will be incurred by the PTO in exercising its review rights of the results of any such tasks performed by such third party(ies).

If the ISO deviates from the assignments set forth in Attachment A based on the foregoing factors, the ISO will provide any affected PTO with a written explanation for the deviation and any associated reassignments of work. The PTO may contest the deviation pursuant to the Dispute Resolution procedures set forth in Section 4.1 of this Agreement.

Task(s) may only be reassigned in accordance with this Section 3.4.1 where the PTO has been deemed to be deficient in relation to that (those) particular task(s).

3.4.2 Cure for re-assigned Interconnection Study work

The ISO shall not reassign task(s) without the opportunity to cure, as specified in Section 3.4.1. The following actions will serve to

cure the deficiencies and result in restoring the assignment(s) as provided in Attachment A:

- a) The ISO and PTO shall negotiate in good faith and agree to a corrective action plan proposed by the PTO, including a reasonably adequate cure period, and the corrective action plan is satisfactorily implemented.
- b) The ISO determines the deficiency is cured without an action plan.

3.4.3 Assessment of prior PTO Interconnection Study work shall only be based on work conducted under the process that becomes effective concurrent with the effective date of this Agreement. Further, assessment of prior PTO Interconnection Study work shall be based on work conducted no earlier than the eighteen (18) month period prior to the date of the ISO notice of deviation from assignments set forth in Attachment A to this Agreement.

3.5 Information Exchange: The PTO shall provide the ISO, subject to confidentiality requirements in Section 4.3, with any documentation or data requested by the ISO reasonably necessary to permit the ISO to perform, review, validate and approve any Interconnection Study, or portion thereof, performed by the PTO. The ISO shall provide the PTO with any documentation or data requested by the PTO, subject to confidentiality requirements in Section 4.3, reasonably necessary to perform, review, and validate any Interconnection Study, or portion thereof.

3.6 Consistency with Provisions for Centralized Interconnection Study

Process. The ISO and PTOs have determined that the processes and allocation of responsibilities in Section 3.4 of this Agreement ensure that impacts to the ISO Controlled Grid are independently assessed and that the assignment of responsibilities minimizes handoffs, takes advantage of non-transferable skills, and promotes the efficiency and cost-effectiveness of the centralized Interconnection Study processes, consistent with LGIP Section 3.2.

3.7 Re-Studies: If any re-studies are required, the ISO will confer with the applicable PTO(s) as to the need for a re-study. The ISO will make the final determination regarding the need for a re-study, subject to dispute resolution procedures.

3.8 Use of Contractors: Nothing in this Agreement shall prevent either the ISO or a PTO from using qualified, mutually agreed upon third party contractors to meet that Party's rights or obligations under this Agreement or the LGIP. To promote the efficiency of the process, the ISO and PTOs will collaborate to identify a list of the mutually agreed to qualified contractors available to the Parties.

3.9 Performance Standards: Each Party shall perform all of its obligations under the LGIP, this Agreement, and any FERC approved Interconnection Study procedures that may be adopted by the ISO to implement the LGIP or this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice.

3.10 Recovery of Costs: In accordance with Section 13.3 of the LGIP, the PTOs shall recover all actual costs from the ISO incurred in performing Interconnection Studies or portions thereof assigned to them by the ISO, including all costs incurred in exercising their right to review, and make recommendations on, Interconnection Studies or portions thereof performed by the ISO and/or contractors under Section 3.8 of this Agreement.

4. GENERAL TERMS AND CONDITIONS.

4.1 Dispute Resolution: In the event any dispute regarding the terms, conditions, and performance of this Agreement is not settled informally, the Parties shall follow the ISO ADR Procedures set forth in Section 13 of the ISO Tariff.

4.2 Liability: No Party to this Agreement shall be liable to any other Party for any direct, indirect, special, incidental or consequential losses, damages, claims, liabilities, costs or expenses (including attorneys fees and court costs) arising from the performance or non-performance of its obligations under this Agreement regardless of the cause (including intentional action, willful action, gross or ordinary negligence, or force majeure); provided, however, that a Party may seek equitable or other non-monetary relief as may be necessary to enforce this Agreement and that damages for which a Party may be liable to another Party under another agreement will not be considered damages under this Agreement.

- 4.3 Confidentiality:** Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.
- 4.4 Binding Effect:** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 4.5 Conflicts:** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 4.6 Rules of Interpretation:** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this 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 Agreement or such Appendix to this 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 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".

4.7 Entire Agreement: This Agreement, including all Attachments hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants, which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Agreement.

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

- 4.9 Waiver:** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by a Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this 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 Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.
- 4.10 Headings:** The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 4.11 Multiple Counterparts:** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

4.12 Modification by the Parties: The Parties amend this Agreement and any Appendices to this Agreement only (1) by mutual agreement of the Parties by a written instrument duly executed by the Parties, subject to FERC approval or (2) upon the issuance of a FERC order, pursuant to Section 206 of the Federal Power Act. It is the Parties' intent that FERC's right to change any provision of this Agreement shall be limited to the maximum extent permissible by law and that any such change, if permissible, shall be in accordance with the Mobile-Sierra public interest standard applicable to fixed rate agreements. *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956). Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations. Notwithstanding the foregoing, Attachment B (Notices) may be modified as set forth in Section 4.15, and the ISO and the affected PTO(s) may from time to time mutually agree to deviate from Attachment A in accordance with the provisions of this Agreement, however, such deviation shall be subject to Section 4.9 and not considered a course of dealing.

4.13 No Partnership: This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to

act as or be an agent or representative of, or to otherwise bind, another Party.

4.14 Assignment: This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

4.15 Notices: Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, will be in writing and deemed properly served, given, or made if delivered in person, transmitted by facsimile, or sent by United States mail, postage prepaid, to the persons specified in Attachment B hereto unless otherwise provided in this Agreement. Any Party may at any time, by notice to all other Parties, change the designation or address of the person specified in Attachment B as the person who receives notices pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original effective agreement among the Parties.

California Independent System Operator Corporation

By: _____

Title: _____

Date:

Pacific Gas and Electric Company

By: _____

Title: _____

Date:

San Diego Gas & Electric Company

By: _____

Title: _____

Date:

Southern California Edison Company

By: _____

Title: _____

Date:

ATTACHMENT A

INTERCONNECTION STUDY RESPONSIBILITY ALLOCATION

Description of Large Generator Interconnection Process: Roles and Responsibilities of ISO and PTOs.

Purpose: This Attachment A to the "AGREEMENT FOR THE ALLOCATION OF RESPONSIBILITIES WITH REGARD TO LARGE GENERATOR INTERCONNECTION PROCEDURES AND INTERCONNECTION STUDY AGREEMENTS" serves as further clarification of the roles and responsibilities of the parties to this Agreement. The ISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTOs, under the direction and oversight of, and approval by, the ISO, as set forth in this Attachment A. This document serves as a general overview of only the roles and responsibilities as between the ISO and PTOs. This Agreement does not include the process steps, involvement or obligations of the Interconnection Customer (IC). This Agreement is not inclusive of all procedures necessary to comply with all provisions of the LGIA, LGIP and Interconnection Study agreements.

Interconnection Request (IR) Process

1. ISO forwards the IR to the PTO within 1 Business Day (BD) of receipt of IR from Interconnection Customer (IC)
2. PTO(s) provides any feed back regarding IR to ISO within 3 BD
3. PTO(s) provides draft study plan at Scoping Meeting.
4. ISO distributes draft Scoping Meeting Minutes for review within 3 BD of Scoping Meeting.
5. PTO(s) provide any comments to the Scoping Meeting Minutes within 2 BD of receipt of draft Scoping Meeting Minutes.
6. ISO issues the final Scoping Meeting Minutes within 3 BD of receipt of comments.

Interconnection Feasibility Study Process:

1. ISO forwards IC Point of Interconnection and any Appendix 1, Attachment A data to the PTO(s) within 1 BD of ISO receipt.
2. PTO(s) develop updated draft study plan based on technical data collected by ISO from IC within 7 BD.
3. ISO and PTO(s) coordinate to finalize study plan within 2 BD. ISO approves the study plan.
4. ISO tenders a signed IFSA to IC, with final study plan included in Attachment A, within 5 BD (for a total of 15 BD from ISO receipt of Point of Interconnection from IC in accordance with LGIP Section 6.1).
5. After ISO receives executed study agreement, ISO forwards any additional Appendix 1, Attachment A data to PTO(s) within 1 BD.
6. If during the course of the assigned portions of the study the PTO(s) determines the data is not sufficient to complete the study, PTO(s) informs ISO and ISO notices IC in accordance with LGIP Section 3.8.
7. PTO(s) must participate in study review meeting; date to be agreeable to PTO(s) and within 10 BD of ISO providing study report to IC (LGIP Section 6.3.1).
8. ISO and PTO collaborate on any re-study issues. ISO will direct any necessary re-studies.

Interconnection Feasibility Study Timeline

Load Flow	Typical Calendar Days	Typical Cumulative Days
ISO directs PTO(s) to Develop draft Base Cases (Milestone)	0	0
PTO(s) develop draft Base Cases and deliver to ISO	7	7
ISO reviews Base Cases and provides direction to PTO(s) At the direction of the ISO, PTO(s) develops contingency lists and provide to ISO.	7	14
PTO incorporates ISO directions into Base Cases; ISO approves Base Cases; ISO reviews and approves contingency lists. If there is disagreement on the contingency list, the ISO and PTO(s) must coordinate to revise the contingency list. ISO approves the contingency list.	7	21
ISO performs Load Flow & prepares summary results of impacted systems (other PTO(s) or Affected Systems) and submits results to impacted systems. Such results may include ISO proposed solutions for mitigation to any violations uncovered in the Load Flow study.	7	28
Impacted PTO(s) review ISO results and recommend mitigation solutions as appropriate.	5	33
Short Circuit Duty (concurrent with Load Flow Activity)		
At the ISO's direction, PTO(s) Develop Base Case, and run short circuit analyses.	10	10
PTO(s) to perform facilities review	18	28
PTO(s) prepare draft study results and submit to the ISO for review, recommendations and direction.	5	33
Facility cost estimates		
At the ISO's direction, PTO(s) to prepare non-binding cost estimates and schedule for the direct assignment facilities and network upgrades identified in the power flow and short circuit duty analyses.	7	40
Finalizing Report		
At the ISO's direction, PTO(s) to prepare draft report for impacts in their service territory.	5	45
ISO compiles all results into a draft report that covers grid impacts.	5	50
PTO(s) reviews ISO integrated report and provides comments to ISO.	4	54
ISO incorporates PTO(s) comments. If PTO(s)' comments conflict with ISO conclusions, then ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in final report.	6	60
ISO provides final ISO approved report to IC, impacted PTOs, and any applicable Affected Systems. (Milestone)	0	0

Issued by: Lee Schavrien
Vice President, Regulatory Affairs
Issued on: November 1, 2005

Effective: Date Assigned by Commission

Interconnection System Impact Study Process

1. Prior to beginning the ISIS process as outlined in this Attachment A, the ISO will notify the PTOs of potential seams issues and discuss the nature of the concerns with the PTOs. Where the ISO determines that there is a reasonable expectation that the new Large Generating Facility to be interconnected in one PTO area may impact system performance in other PTO areas within the ISO Controlled Grid that does not comply with the applicable planning standards, the ISO will conduct or cause to be performed the ISIS Load Flow, Post Transient and Stability analyses, as appropriate, to assess the extent of the impact on the grid and evaluate mitigation solutions. Applicable planning standards include FERC approved ISO Planning Standards, as may be amended from time to time, and the NERC/WECC Planning Standards, as may be amended from time to time. Further, there may be circumstances where information, including available studies, is not sufficient for the ISO to make a reasonable engineering determination whether the new Large Generating Facility to be interconnected in one PTO area could cause system performance in other PTO areas (i.e. within the ISO Controlled Grid) that does not comply with the applicable planning standards and, in such circumstances, the ISO may nonetheless conduct or cause to be performed the ISIS Load Flow, Post Transient and Stability analyses to make such a determination.
2. At the ISO's direction, the PTO develops a draft ISIS study plan and determines if available technical data is sufficient to complete ISIS.
3. PTO submits draft study plan to ISO for review, direction and approval within 7 BD of ISO tendering Interconnection Feasibility Study report to IC.
4. ISO and PTO coordinate to finalize study plan within 3 BD. ISO approves the study plan.
5. ISO tenders a signed ISISA to IC with final study plan included in Attachment A, within 3 BD.
6. Upon receipt of executed study agreement, ISO forwards any additional Attachment A, Appendix 1 data to PTO(s) within 1 BD.
7. If the data provided by IC is insufficient to perform the study, PTO notifies ISO within 2 BD of ISO receipt of the executed study agreement, and the ISO notifies the IC within 2 BD (total of 5 BD per LGIP Section 7.2) to correct any deficiencies within 10 BD or the IR will be deemed withdrawn, triggering LGIP Section 3.8.
8. PTO must participate in study review meeting; date to be agreeable to PTO and within 10 BD of ISO providing study report to IC (LGIP Section 7.5).
9. ISO to confer with PTO as to the need for a Re-study. ISO makes the final determination subject to dispute resolution procedures.

Interconnection System Impact Study Timeline

Standard System Impact Study Load Flow/Post Transient/Stability Process	Typical Calendar Days	Typical Cumulative Days
At the ISO's direction, PTO(s) develop draft Base Case(s)	0	0
PTO(s) develop(s) draft base case(s) and deliver(s) to ISO	14	14
ISO reviews Base Case(s) and provides direction to PTO	7	21
At the ISO's direction, PTO develops contingency lists		
PTO incorporates ISO directions into Base Cases ISO approves Base Case(s) ISO reviews and approves contingency lists	7	28
At the ISO's direction, the PTO may perform the ISIS Load Flow, Post Transient and Stability analyses & prepare mitigation solutions, as appropriate and submits draft study results to ISO for review and direction*.	21	49
<p>*Pursuant to the terms of item 1 above: where the ISO performs the ISIS Load Flow, Post Transient and Stability analyses to determine grid impacts and evaluate mitigation solutions, the potentially impacted PTOs may, as part of the review process, perform Load Flow, Post Transient and Stability Analysis to assess ISO results and recommend alternative solutions. (In the case of this election, "PTOs" should be substituted for "PTO" for remainder of ISIS process.)</p>		
PTO develops or supplements ISO proposed mitigation plans and/or develops alternative mitigation plans for consideration, as appropriate, and submits to ISO for review and direction	14	63
Short Circuit Duty (concurrent with the LF/PT/S)		
ISO to coordinate with other potentially affected facility owners ¹	n/a	n/a
ISO directs PTO to develop Base Case and run short circuit analysis	21	21
PTO to perform facilities review	35	56
PTO to prepare draft study results and submits to the ISO for review and direction	7	63
Facility cost estimates and schedules		
At the ISO direction, PTO(s) to prepare cost estimates and schedules for the direct assignment facilities and network upgrades identified in the ISIS power flow, short circuit duty, post transient, and stability studies.	20	83

¹ In accordance with the WECC Short Circuit Duty Procedure

Final Report		
At the ISO's direction, PTO(s) prepares draft report for impacts in their service territory.	7	90
ISO compiles all results into a draft report that covers grid impacts, as appropriate. ISO reviews integrated draft report and submits comments, recommendations and direction to the PTO	9	99
PTO incorporates ISO directions, conclusions and recommendations. If ISO conclusions and recommendations conflict with PTO conclusions then ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in the final report.	14	113
PTO submits final draft report less the deliverability results to the ISO. The ISO will finalize the report and tender the ISO approved report to the IC after incorporating Deliverability results.		
ISO Deliverability Assessment (concurrent with other studies) As part of the Deliverability Assessment process pursuant to LGIP Section 3.3.3, the ISO may also perform studies pursuant to LGIP Section 3.3.2 to determine potential operating limitations on the generator due to constraints under a variety of system conditions.		
PTO provides GE PSLF compatible change files for all project changes since last Deliverability Assessment, including subject LGIP project.	14	14
ISO incorporates project changes into Deliverability Base Case.	7	21
ISO provides Deliverability Study & prepares results summary.	14	35
ISO provides Initial Deliverability results with no upgrades and upgrades necessary for full Deliverability	14	49
ISO reviews Load Flow, post transient, and stability analysis mitigation options. (The timing of this action should be in sync with completion of Load Flow study results)	11	60
ISO has the opportunity to revise Deliverability Upgrades necessary for full Deliverability, based on optimization with LF results.	7	67
At the ISO's direction, PTO to provide Deliverability related upgrade costs and schedules, as appropriate. (This action should occur when PTO is performing cost analysis for Load Flow and Short Circuit Duty upgrades)	16	83
ISO drafts Deliverability study results.	7	90
PTO reviews/comments on Deliverability results.	12	102
ISO incorporates PTO comments on the Deliverability results, as appropriate. Any remaining conflicts must be noted in final report.	11	113
Final Study Report		
ISO provides final approved report to IC, PTO, and any applicable affected systems.	7	120

Interconnection Facilities Study Process**

**All Interconnection Facilities Studies will be under the direction and oversight of, and approval by, the ISO and may involve more than one PTO.

1. Within 5 BD of the ISIS Study Review Meeting, the PTO develops draft Interconnection Facilities Study plan and submits to ISO for review and approval.
2. ISO submits executed Interconnection Facilities Study Agreement to IC within 5 BD.
3. Upon receipt of executed Interconnection Facilities Study Agreement from IC, ISO submits to PTO technical data provided by IC within 1 BD.
4. If the data provided by IC is insufficient to perform the study, PTO notifies ISO within 3 BD and the ISO notifies the IC within 2 BD (total of 5 BD per LGIP) that IR is deemed withdrawn and the reason for the withdrawal. IC has 15 BD to cure withdrawal notice (LGIP goes directly to withdrawal pursuant to Section 3.8).
5. PTO conducts Interconnection Facilities Study and submits draft report to ISO.
6. ISO forwards draft report to IC for comments.
7. ISO forwards IC comments or notice of no comments to PTO within 1 BD of receipt.
8. PTO incorporates IC Comments within 5 BDs and submits updated draft to ISO for review and comment.
9. ISO reviews and comments, provides recommendations and direction on PTO draft Interconnection Facilities Study report within 2 BD.
10. PTO reviews/incorporates ISO directions within 5 BD and sends revised report to ISO.
11. ISO issues final report to IC within 2 BD (total of 15 BD). If PTO comments conflict with ISO recommendations and conclusions, ISO and PTO must coordinate to resolve conflicts. Any remaining conflicts must be noted in the final report.
12. ISO, PTO(s), and IC meet within 10 BDs from issuance of draft report.
13. ISO and PTO collaborate on any re-study issues. ISO will direct any necessary re-studies and/or progress to LGIA process.

ATTACHMENT B
CONTACTS FOR NOTICES

[Section 4.15]

California ISO

Manager, Transmission Engineering
151 Blue Ravine Road
Folsom, CA 95630
Phone: 916.351.2104
Fax: 916.351.2264

Pacific Gas and Electric Company

Manager, Transmission Planning
Pacific Gas and Electric Co.
245 Market St., Mail Code N14K
P.O. Box 770000
San Francisco CA 94177-0001
(415) 973-3479

San Diego Gas & Electric Company

Manager, Transmission Planning
San Diego Gas & Electric Company
8316 Century Park Court, CP52A
San Diego, CA 92123-1582
Fax: 858-654-1692

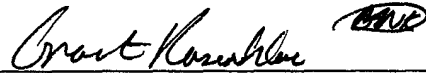
Southern California Edison Company

Director of Grid Contracts
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, California 91770
Phone: 626-302-1771
Fax: 626-302-1152

Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 1st day of November, 2005 at Folsom in the State of California.



Grant Rosenblum
(916) 608-7138