

ATTACHMENT K

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

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

RECITALS

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

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

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

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

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

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

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

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

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

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

expected results in the Interconnection System Impact Study; and

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

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

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

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

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

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

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

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

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

benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

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

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

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

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

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

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

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

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

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

**Attachment A to
Interconnection Feasibility
Study Agreement**

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

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

Designation of Point of Interconnection and configuration to be studied.

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

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

INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

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

RECITALS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13.0 Miscellaneous.

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

13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 13.1 of the LGIP.

13.3 Binding Effect. This Interconnection System Impact Study Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

13.4 Conflicts. In the event of a conflict between the body of this Interconnection System Impact Study Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interconnection System Impact Study Agreement shall prevail and be deemed the final intent of the Parties.

13.5 Rules of Interpretation. This Interconnection System Impact Study Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Interconnection System Impact Study Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Interconnection System Impact Study Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Interconnection System Impact Study Agreement or such Appendix to this Interconnection System Impact Study Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and

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

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

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

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

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

Interconnection System Impact Study Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

13.14 **No Partnership.** This Interconnection System Impact Study Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

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

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

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

Attachment A

**Interconnection System Impact
Study Agreement**

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

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

Designation of Point of Interconnection and configuration to be studied.

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

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

INTERCONNECTION FACILITIES STUDY AGREEMENT

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

RECITALS

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

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

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

WHEREAS, the Interconnection Customer has requested the _____ [**"Participating TO**" or "**ISO**"] to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Participating TO's electric system to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility to the ISO Controlled Grid.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

compliance with its obligations under this Interconnection Facilities Study Agreement.

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

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

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

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

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

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

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

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

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

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

Attachment A

Interconnection Facilities Study Agreement

INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

The _____ **["Participating TO" or "ISO"]** shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to the Interconnection Customer. Prior to issuing draft study results to the Interconnection Customer, the Participating TO and ISO shall share results for review and incorporate comments within the following number of days after of receipt of an executed copy of this Interconnection Facilities Study Agreement:

- one hundred twenty (120) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report, or
- two hundred ten (210) Calendar Days with no more than a +/- 10 percent cost estimate contained in the report.

Attachment B

**Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

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

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

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

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

Number of third party easements required for transmission lines*:

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

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

_____Yes _____No Local provider:

OPTIONAL INTERCONNECTION STUDY AGREEMENT

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

RECITALS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

By: _____

Title: _____

Date:

[Insert name of the Interconnection Customer]

By: _____

Title: _____

Date:

**Attachment A
Optional Interconnection
Study Agreement**

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

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