## **GIP 2 Straw Proposal Reference Sheet**

## Re: Straw Proposal Section 5.4.2, Revise LGIA insurance requirements

Markup of LGIA changes that would implement proposed revisions

- **18.3 Insurance.** Each—As indicated below the designated Party shall, at its own expense, maintain in force throughout the periods noted in of this LGIA, and until released by the other Parties, the following minimum insurance coverages, with insurers rated no less than A- (with a minimum size rating of VII) by Bests' Insurance Guide and Key Ratings and authorized to do business in the state where the Point of Interconnection is located, except in the case of any insurance required to be carried by the CAISO, the State of California:
  - 18.3.1 Employer's Liability and Workers' Compensation Insurance The Participating TO and the Interconnection Customer shall maintain such coverage from the commencement of any commencement of Construction Activities providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located. except in the case of the CAISO, the State of California. The Participating TO shall provide the Interconnection Customer with evidence of such insurance within thirty (30) days of any request by the Interconnection Customer. The Interconnection Customer shall provide evidence of such insurance (30) days prior to entry by any employee or contractor or other person acting on the Interconnection Customer's behalf onto any construction site to perform any work related to the Interconnection Facilities or Generating Facility, which shall list the Participating TO as an additional insured.
  - 18.3.2 Commercial General Liability Insurance The Participating TO and the Interconnection Customer shall maintain general commercial liability insurance commencing within thirty (30) days of the effective date of this LGIA, including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage. If the activities of the Interconnection Customer are being conducted through the actions of an Affiliate, then the Interconnection Customer may satisfy the insurance requirements of this sub-section 18.3.2 by providing evidence of insurance coverage carried by such Affiliate and showing the Participating TO as an Additional Insured, together with the Interconnection Customer's written representation to the Participating TO and the CAISO that the insured Affiliate is conducting all of the necessary pre-construction work. Within thirty (30) days prior to the entry of any person on behalf of the Interconnection Customer onto any construction site to perform work related to the Interconnection Facilities or Generating Facility, the Interconnection Customer shall replace any evidence of Affiliate Insurance with evidence of such insurance carried by the Interconnection Customer, naming the Participating TO as additional insured.
  - 18.3.3 Business Automobile Liability Insurance Prior to the entry of any such vehicles on any construction site in connection with work done by or on behalf of the Interconnection Customer, the Interconnection Customer shall provide evidence of for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage. Upon the request of the Participating TO, the Interconnection Customer shall name the Participating TO as an additional insured on any such policies.
  - **18.3.4 Excess Public Liability Insurance** Commencing at the time of entry of any person on its behalf upon any construction site for the Network Upgrades, Interconnection Facilities, or Generating Facility, the Participating TO and the Interconnection Customer shall maintain

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excess public liability insurance over and above the Employer's Liability Commercial General Liability and Business Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate. Such insurance carried by the Participating TO shall name the Interconnection Customer as an additional insured, and such insurance carried by the Interconnection Customer shall name the Participating TO as an additional insured.

- 18.3.5 The Commercial General Liability Insurance, Business Automobile Insurance and Excess Public Liability Insurance policies shall name the other Parties <u>identified in the subsections above</u>, their parents, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this LGIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- **18.3.6** The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.
- 18.3.7 The Commercial General Liability Insurance, Business Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties