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VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Midcontinent Independent System Operator, Inc.
FERC Docket No. ER15-____-000
Notice of Termination of Generator Interconnection Agreement

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”), 16 U.S.C. § 824d, and Part 35 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations, 18 C.F.R. § 35.15, the Midcontinent Independent System Operator, Inc. (“MISO” or “Transmission Provider”) hereby tenders for filing a Notice of Termination of the Generator Interconnection Agreement (“Interconnection Agreement”)¹ among New Era Wind Farm, LLC (“New Era” or “Interconnection Customer”),² Great River Energy (“GRE” or “Transmission Owner”), and MISO. The project has been designated as Project No. H062 (“Project H062”). MISO seeks termination of the Interconnection Agreement because Interconnection Customer has withdrawn public permit requests and publicly stated that it will not pursue a wind project in this region.³ The Commission has already accepted the Notice of Termination of a Multi-Party Facilities Construction Agreement related to this project and the Generator Interconnection Agreement of a related project, Project No. H061, for the same reasons.⁴ Commission policy

¹ MISO’s *pro forma* Generator Interconnection Agreement (“GIA”) is contained in Appendix 6 of Generator Interconnection Procedures (“GIP”) in Attachment X of the MISO Tariff. The Interconnection Agreement is attached as Exhibit 1 to this filing.

² Effective October 2, 2012, Peter J. Mastic Holdings II, LLC, a Nevada Limited Liability Company, acquired 100% of the membership interest in AWA Goodhue, LLC. Additionally, effective October 8, 2012, the Articles of Organization of AWA Goodhue, LLC were amended to change the name of the limited liability company to New Era Wind Farm, LLC. New Era Wind Farm LLC reported this change in ownership to the Minnesota Public Utilities Commission on October 12, 2012 in a filing in MPUC Docket Nos. IP6701/WS-08-1233 and IP6701/CN-09-1186.

³ The Minnesota Public Utilities Commission Order accepting New Era Wind Farm, LLC’s request to withdraw its application for an extension of its certificate of need, closing the certificate of need docket, revoking the site permit for the project, and terminating the power purchase agreements for New Era Wind Farm, LLC, is attached as Exhibit 2.

⁴ *Midcontinent Independent System Operator, Inc.*, 147 FERC ¶ 61,186 (2014) (accepting Notice of Termination filed for the Multi-Party Facilities Construction Agreement for H061 and H074); *Midcontinent*

supports termination of the Interconnection Agreement because the Generating Facility has ceased (in this case, never achieved) Commercial Operation for three (3) consecutive years following its Commercial Operation Date (“COD”) pursuant to Section 2.3.1 of the Interconnection Agreement.

I. BACKGROUND

On September 1, 2010, MISO, GRE, and AWA Goodhue LLC entered into the Interconnection Agreement for Project H062. The Interconnection Agreement conformed to the MISO *pro forma* Generator Interconnection Agreement in effect at the time. Accordingly, the Interconnection Agreement was not filed at the Commission, but was reported in MISO’s Electric Quarterly Reports (“EQR”).⁵ MISO designated the Interconnection Agreement as Original Service Agreement No. 2243, under the MISO Tariff. On October 8, 2012, AWA Goodhue LLC assigned the Interconnection Agreement to New Era.

Interconnection Customer has ceased Commercial Operation for three consecutive years – in fact the Interconnection Customer never achieved Commercial Operation as discussed in **Part II.A** below. Accordingly, MISO asks that the Commission accept the instant Notice of Termination because termination of this Interconnection Agreement is just and reasonable, not unduly discriminatory, and consistent with the public interest for the reasons discussed below in **Part II.B.**⁶ Specifically, Interconnection Customer’s continued presence in the MISO interconnection queue for over three years beyond the COD agreed to in the Interconnection Agreement causes harm to GRE as the Transmission Owner and its rate-paying customers and the project should not remain in MISO’s queue indefinitely for the reasons discussed below in **Part II.B.1.** In addition, termination of the Interconnection Agreement will benefit other projects by increasing certainty regarding needed upgrades which will help to expedite the queue process as discussed below in **Part II.B.2.**

Independent System Operator, Inc., 147 FERC ¶ 61,198 (2014) (“*H061 GIA Order*”). The order in Exhibit 2 closes several dockets at the request of the project which is referenced as a 78 MW wind project. H061 and H062 each accounted for 39 MW of that total.

⁵ See *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, FERC Stats. & Regs. ¶ 31,146, 104 FERC ¶ 61,103 (2003) (“Order No. 2003”), *order on reh’g*, Order No. 2003-A, FERC Stats. & Regs. ¶ 31,160 (2004) (“Order No. 2003-A”), *order on reh’g*, Order No. 2003-B, FERC Stats. & Regs. ¶ 31,171 (2004) (“Order No. 2003-B”), *order on reh’g*, Order No. 2003-C, FERC Stats. & Regs. ¶ 31,190 (2005) (“Order No. 2003-C”), *aff’d sub nom. National Association of Regulatory Utility Commissioners v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007). The filing requirement for a GIA that conforms to MISO’s *pro forma* GIA is met by listing the agreement in the EQR. Order No. 2003 at P 914. The Interconnection Agreement is also posted on the MISO website.

⁶ See *Midwest Indep. Transmission Sys. Operator, Inc.*, 137 FERC ¶ 61,008 (2011) (“*Lakeswind*”) (excerpted below), *order on reh’g and clarification*, 141 FERC ¶ 61,097 (2012) (“*Lakeswind Rehearing Order*”); see also *Midwest Indep. Transmission Sys. Operator, Inc.*, 143 FERC ¶ 61,114 (2013) (order accepting MISO Notice of Termination for a project that had not met milestone payments), *reh’g denied*, 145 FERC ¶ 61,038 (2013) (“*Ellerth Wind*”).

II. NOTICE OF TERMINATION

MISO respectfully requests that the Commission terminate the Interconnection Agreement for the following reasons: **(A)** Interconnection Customer has ceased (never achieved) Commercial Operation for three (3) consecutive years following its COD and is therefore eligible for termination pursuant to Section 2.3.1 of the Interconnection Agreement and **(B)** termination of the Interconnection Agreement is just and reasonable, not unduly discriminatory, and is consistent with the public interest as more fully described below.

A. Failure to Achieve Commercial Operation for Three Consecutive Years

The Interconnection Agreement provides, in relevant part:

2.3 Termination Procedures. This GIA may be terminated as follows:

2.3.1 Written Notice. This GIA may be terminated by Interconnection Customer after giving the Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice or by Transmission Provider if the Generating Facility has ceased Commercial Operation for three (3) consecutive years, beginning with the last date of Commercial Operation for the Generating Facility, after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. The Generating Facility will not be deemed to have ceased Commercial Operation for purposes of this Article 2.3.1 if the Interconnection Customer can document that it has taken other significant steps to maintain or restore operational readiness of the Generating Facility for the purpose of returning the Generating Facility to Commercial Operation as soon as possible.

The COD listed in Exhibit A11 of the Interconnection Agreement is May 1, 2011. Thus, as of May 1, 2014, the Generating Facility has ceased, or never achieved, Commercial Operation for over three consecutive years beyond its COD. As stated above, the Interconnection Customer has withdrawn public permit requests and publicly stated that it will not pursue a wind project in this region. Thus, the Generating Facility contemplated under this Interconnection Agreement will never be constructed and the Interconnection Agreement should be terminated.

This Notice of Termination will be served upon all Parties and is intended to serve as the ninety (90) Calendar Day advance notice in compliance with Section 2.3.1 of the Agreement.

B. Termination of the Interconnection Agreement is just and reasonable, not unduly discriminatory, and consistent with the public interest because termination will end the harm created by Interconnection Customer's failure to meet its COD, appropriately enforce the terms of the Interconnection Agreement, and increase certainty for other projects in the queue.

As discussed above and herein, Interconnection Customer's delay in meeting its COD provides grounds for termination under Article 2.3.1 of the Interconnection Agreement. In its order regarding the Lakeswind generation project ("*Lakeswind*"), the Commission articulated its standard as follows:

Commission precedent supports acceptance of a notice of termination if the applicant demonstrates that the proposed termination is not unjust, unreasonable, unduly discriminatory or preferential, or if it is consistent with the public interest. When considering whether to extend milestones or to grant or extend a suspension, the Commission takes into account many factors, including whether the extension would harm generators lower in the interconnection queue and any uncertainty that speculative projects may present to other projects in the queue.⁷

The Commission should accept this Notice of Termination under this standard because doing so (1) will eliminate the harm to lower queued projects, projects in the same Group Study, the Transmission Owner, its rate-paying customers, and the MISO interconnection queue process caused by this project if it remains in the queue indefinitely, and (2) will benefit other projects by removing uncertainty regarding whether the upgrades in the Interconnection Agreement will be appropriately funded. As explained herein, the upgrades in this case have been constructed, but uncertainty remains because the project does not plan to proceed. These considerations are discussed below in Parts **II.B.1** and **II.B.2**.

In addition, termination of the Interconnection Agreement is appropriate because neither the suspension under the Interconnection Agreement nor the extension of milestones referenced in Paragraph 25 of the *Lakeswind* order (quoted above) is a permissible option. First, the MISO Tariff no longer provides for the suspension of obligations under a GIA unless a defined "Force Majeure" event occurs.⁸ Under the Interconnection Agreement, "[e]conomic hardship is not considered a Force Majeure event[]" and a project may only suspend its completion of milestones for a valid Force Majeure event, such as a hurricane or flood.⁹ No such event has occurred and, even if a Force Majeure event occurs that would permit suspension of some

⁷ *Lakeswind*, 137 FERC ¶ 61,008 at P 25 (citations omitted); see *Ellerth Wind*, 143 FERC ¶ 61,114 (2013) (order accepting MISO Notice of Termination for a project that had not met milestone payments), *reh'g denied*, 145 FERC ¶ 61,038 (2013).

⁸ See *Lakeswind*, 137 FERC ¶ 61,008 at P 25. Article 5.16.1 of the Interconnection Agreement discusses suspension and Articles 1 and 16.1.1 define "Force Majeure" to exclude economic hardship).

⁹ See Interconnection Agreement at Art. 16.1 (discussing Force Majeure).

obligations, Interconnection Customer must still provide security to fund the necessary Network Upgrades to permit the related construction to proceed.¹⁰ Second, because obligations may not be suspended absent a Force Majeure event, MISO cannot extend milestones until Interconnection Customer first meets its obligations. To permit a project to evade the limits in the suspension provision of the *pro forma* GIA without first meeting its obligations would permit a “*de facto* suspension.”¹¹ In the *Lakeswind Rehearing Order*, the Commission clarified that key factors in its determination not to accept a notice of termination for Lakeswind’s GIA were (1) whether any other projects were relying on network upgrades to be built by the interconnection customer and (2) Lakeswind’s good faith efforts to cure its Default, including payment of security sufficient for the transmission owner.¹² In this case, Project H062 has not met its obligation to reach COD and MISO cannot permit the project to avoid its obligations or alter its milestones until its obligations are met.¹³ Accordingly, MISO respectfully requests that the Commission accept the instant Notice of Termination for the reasons outlined below.

1. Termination of the Interconnection Agreement is just and reasonable, not unduly discriminatory, and consistent with the public interest because the Interconnection Customer’s failure to meet its COD demonstrates that the project is not ready to proceed and the Commission has recognized the harm from retaining speculative projects in the queue.

Interconnection Customer’s failure to meet its COD under its executed Interconnection Agreement demonstrates that the project is speculative and the Commission has found that such a project is at a greater risk of not proceeding to commercial operation even though it has progressed to the GIA stage of the interconnection process.¹⁴ The Commission has found

¹⁰ *Id.* at Art. 5.16.1.

¹¹ In the *Lakeswind* proceeding, MISO referred to an interconnection customer’s decision to Default under a GIA as an impermissible “*de facto* suspension” because a project that is in Default and remains in the queue without making progress towards commercial operation is, in fact, suspended as a practical matter. *See Lakeswind Rehearing Order*, 141 FERC ¶ 61,097 at P 32 (declining to find a “*de facto* suspension” because that term is not defined in the Tariff). The Commission should consider such delays as impermissible under the terms of the Tariff regardless of the shorthand term used and not permit an interconnection customer to disregard a signed contract with impunity.

¹² *Id.* at P 34.

¹³ In the case of the *Lakeswind* project, the Commission noted that circumstances changed for the project in part because “preliminary results of the Group 5 Restudy indicat[ed] that network upgrades were no longer required for *Lakeswind*’s project.” *Id.* at P 33.

¹⁴ Under the Commission’s Order No. 2003 paradigm, projects are studied in queue order and then execute an interconnection agreement governing the conditions of interconnection and cost of any upgrades needed for interconnection. *See* Order No. 2003 at P 34-38 (providing an overview of the standardized interconnection process). MISO has revised its interconnection process to incorporate a “first-ready, first-served” paradigm in which the projects that are ready to proceed may move through the system more quickly in order to expedite the queue process. MISO’s most recent revisions were proposed in part to

evidence that “simply having an executed GIA was not sufficient to demonstrate a commitment to achieve commercial operation[.]”¹⁵ MISO’s most recent queue reforms accepted in the *Queue Reform III Order* responded to the ongoing challenges created by the “late-stage terminations” that result from the decisions by interconnection customers who have executed a GIA to terminate their projects at that late stage of the interconnection process.¹⁶ Among the goals of queue reform, the Commission emphasized the goals of “getting projects that are not making progress toward commercial operation out of the queue, and helping viable projects achieve commercial operation as soon as possible.”¹⁷ Termination of this Interconnection Agreement would further these goals by removing a project that is not making progress towards commercial operation from the queue, thereby helping viable projects to achieve commercial operation more quickly by removing the increased risk that they would be subject to additional upgrades or restudies if this project does not proceed. In this case, the upgrades funded under the Interconnection Agreement have been built, but the project itself will not proceed. By failing to meet its contractual obligations, Interconnection Customer has demonstrated that its project is not prepared to proceed at this time and is at increased risk for late-stage termination, an increased risk, which in turn, harms other projects in the queue.¹⁸

Two main harms to other projects occur if this project remains in the queue. First, the harm of uncertainty caused by speculative projects remaining in the queue has been quantified

eliminate the problem that occurs when a project reaches the late stage where a GIA is executed, but then does not proceed to commercial operation and withdraws from the queue. These “late-stage” withdrawals increase uncertainty for other projects and slow the queue process. The instant Notice of Termination is part of the ongoing effort to respond to conditions in the MISO footprint, particularly the “increase in the number of projects withdrawing in the later stages of the interconnection process.” *Midwest Indep. Transmission Sys. Operator, Inc.*, 138 FERC ¶ 61,233 at P 29-30 (2012) (“*Queue Reform III Order*”), order on reh’g and compliance filing, 139 FERC ¶ 61,253 (2012) (“*June 27 Rehearing Order*”). On August 27, 2012, MISO filed with the Commission a Request for Clarification or, in the alternative, Rehearing of the *June 27 Rehearing Order*. On August 30, 2012, the Commission issued an Order Granting Rehearing for Further Consideration in response to MISO’s August 27, 2012 request. This request is pending at the Commission.

¹⁵ *June 27 Rehearing Order* 139 FERC ¶ 61,253 at P 34 (explaining that MISO submitted evidence supporting this conclusion); *id.* at P 39 (***declining*** to exempt projects that are unable to meet GIA milestones from meeting the M2 milestone “readiness” payment under the GIP and ***declining*** to consider the impact of restudy to be a Force Majeure event that would justify suspending an interconnection customer’s obligations under a GIA).

¹⁶ *Queue Reform III Order*, 138 FERC ¶ 61,233 at P 68; *see id.* at PP 62, 64 & 146 (discussing the challenges that led to the *Queue Reform III Order* and the phenomenon of “queue churn” when projects enter and leave the queue).

¹⁷ *Id.* at P 30.

¹⁸ *Id.* at P 68 (explaining that “the number of projects that have withdrawn from the interconnection queue at the later stages of the interconnection process is indicative of it being too easy for projects that are not ready to proceed or that are not commercially viable from being able to enter the interconnection queue”). Lacking such a demonstration of readiness, an interconnection customer should not be able to execute a GIA in the hope that its project will become commercially viable at a later date, and then delay meeting the obligations to attain Commercial Operation.

and discussed in the *Queue Reform III Order* and provides grounds for termination of this Interconnection Agreement. Specifically, the *Queue Reform III Order* accepted revisions to MISO's GIP that require greater cash commitments for projects to remain in the queue based on the "**documented harm** of shifts in network upgrade costs to a lower queued customer when a late-stage higher queued interconnection customer exits the queue."¹⁹ In so doing, the Commission acknowledged that requiring a project to meet obligations to demonstrate its readiness to proceed in order to remain in the queue would reduce this risk of cost shifting from late-stage terminations. The Commission also accepted other increased requirements to retain a queue position as consistent with this rationale and with the Commission's guidance to expedite the processing of the queue and to "increase the likelihood that only projects that are likely to be commercially viable are in the queue."²⁰ Specifically, MISO's GIP now requires an "Initial Payment" milestone soon after execution of a GIA to demonstrate readiness as a means to limit this risk of late-stage termination. This Initial Payment milestone prevents customers from building long lead times into projects, executing a GIA, and then deciding to withdraw much later when those payments come due.²¹ After reviewing the evidence, the Commission "agree[d] with MISO that the customer's ability to build long lead times into its milestones while taking no action towards achieving commercial operation coupled with the lack of a financial commitment to reach commercial operation **has significantly contributed to the problem of late-stage terminations and the potential for cascading and iterative restudies.**"²²

This potential for cascading restudies represents a second harm to lower queued projects and projects in the same Group Study. A project that has not met its COD that remains in the queue harms others by increasing the uncertainty that a restudy for other projects will be needed.

¹⁹ *June 27 Rehearing Order*, 139 FERC ¶ 61,253 at P 71 (explaining the "documented harm" as justification for upholding the M2 milestone "cash at risk" payment as an indicia of a project's readiness to proceed) (emphasis added). MISO provided evidence of the impact of late-stage terminations in its filings in Docket No. ER12-309. *See id.* at P 70 (citing evidence); *Queue Reform III Order*, 138 FERC ¶ 61,233, at PP 63-68 (discussing evidence of backlog in the queue). *See also Lakeswind Rehearing Order*, 141 FERC ¶ 61,097 at P 33 (discussing these revisions to the Tariff and noting that the outcome in the *Lakeswind* proceeding is "limited to the particular facts presented[,] and "acknowledg[ing] that there are backlogs in MISO's interconnection queue that would be exacerbated by interconnection customers seeking to delay progress of their interconnections.").

²⁰ *Queue Reform III Order*, 138 FERC ¶ 61,233 at P 147.

²¹ *Id.* at P 170 & 178. The *Queue Reform III Order* also introduced a new capital contribution requirement (the "M2 milestone payment") when a project entered the Definitive Planning Phase. *Queue Reform III Order*, 138 FERC ¶ 61,233 at P 119. The "M2 milestone payment" is now due when a project enters the Definitive Planning Phase ("DPP"). The *Queue Reform III Order* further concluded that "as stated previously, the consequence of late-stage terminations can be multiple and iterative restudies for lower-queued customers. Thus, if the proposed M2 milestone succeeds in significantly reducing such late-stage terminations, we anticipate that projects with viable business plans will more easily and quickly reach commercial operation." *Id.* at P 147.

²² *Id.* at P 178 (emphasis added); *see id.* at P 179 ("While underfunded projects may decide to withdraw from the queue, independent developers that have properly funded their projects should benefit from the increased efficiency of the interconnection process.").

When a project withdraws, it may trigger a restudy which could result in a different set of upgrades being needed for other projects lower in the queue or in the same group study as the withdrawn project. Because the MISO queue often uses group studies, if a project that has not met its obligations under its GIA is allowed to remain in the queue and then withdraws at a very late stage (*i.e.*, it becomes a “late-stage termination”), there is an increased chance that such a withdrawal will trigger “cascading” restudies for numerous projects lower in the queue.²³ As explained in the *Queue Reform III Order*, when one project withdraws, MISO must consider the impact of the withdrawal on projects in the same group study and lower-queued projects. Often, withdrawals lead to “cascading” restudies that involve restudy of these other projects.²⁴ Such restudies may change the network upgrades needed to support the interconnection of the remaining projects in the group or lower-queued projects. As a result of these changes, other projects may then decide to withdraw thereby triggering a cycle of further cascading restudies impacting projects even lower in the queue. The decisions of higher-queued projects to withdraw or not pursue their projects are beyond the control of MISO. However, permitting projects to remain indefinitely in the queue is incompatible with effective processing of the queue.²⁵ Therefore, the appropriate method for the Commission to limit this uncertainty is to follow the terms of the executed Interconnection Agreement, hold the Interconnection Customer responsible for its obligations under the agreement, and accept the Notice of Termination when the Interconnection Customer has not met its obligations. If the Commission does not do so and allows projects to linger in the queue after a failure to meet COD for three years has demonstrated they are not viable, it would undermine the Commission’s own goals and MISO’s queue reform efforts to implement them.²⁶

These two harms to other projects justify termination of the Interconnection Agreement and the Commission need not require a showing of a direct cost to a specific project caused by this project remaining in the queue to accept termination of the Interconnection Agreement based on the risk of upgrade costs and restudies for other projects lower in the queue or in the same Group Study. The Commission has considered harm to lower queued projects as a factor in past cases to support additional time for a project to develop.²⁷ However, a direct harm is difficult to quantify and requiring such a finding prior to accepting a notice of termination would encourage

²³ *Queue Reform III Order*, 138 FERC ¶ 61,223 at PP 68 & 178 (discussing the problems caused by “late-stage terminations” and “cascading restudies”).

²⁴ *Id.* at PP 68 & 178.

²⁵ *See Midwest Independent Transmission System Operator, Inc.*, 141 FERC ¶ 61,050 at P 34 (2012) (“*October 19 Order*”) (explaining that MISO cannot reasonably anticipate all of the permutations of required facilities that might result as projects withdraw from a group study and that the upgrades required may change as a result of restudies).

²⁶ *Queue Reform III Order*, 138 FERC ¶ 61,223 at P 30, 68 & 178 (discussing the role of withdrawals in causing cascading and iterative restudies).

²⁷ *See Lakeswind*, 137 FERC ¶ 61,008 at P 25 (listing factors that the Commission has considered in determining whether to extend milestones or to grant or extend a suspension under a GIA). Neither of these options is available here. *See* notes 8-13, *supra*, and accompanying text.

delay by projects that are not prepared to proceed at the expense of those who are ready to proceed.²⁸ For example, other viable projects may have already decided to withdraw based on the ongoing uncertainty created by this project's failure to reach COD. Such a result is difficult to trace to a given project and the exit of a potentially viable generator would have already occurred based on the ongoing uncertainty created by Interconnection Customer's delay. In addition, transmission owners face harm because resources used in planning to meet construction timelines under a GIA are potentially wasted if an interconnection customer delays and does not meet its obligations. After a GIA is executed, the transmission owner would typically need to assign engineers and work crews to begin planning for actual construction to meet the transmission owner's obligations under the GIA. These resources would need to be reassigned if the interconnection customer fails to meet its obligations under the GIA. If the project lingers in the queue, the transmission owner must continue to account for the fact that the project may go forward which complicates planning and consumes resources that could be better spent on viable projects. Similarly, MISO must continue to account for the project in its study processes. Again, these impacts are difficult to trace to a specific project, but the Commission has recognized the aggregate harm to the queue from speculative projects and the increased risk of "late-stage termination" by such projects and should consider the impact on the transmission owner and MISO resources.²⁹

At some point, this uncertainty for other interconnection customers (particularly, those in the same Group Study), the transmission owner, and MISO, should end; and a project's GIA should be terminated when obligations are not being met. The appropriate measure of whether a project with a GIA is "speculative" must consider whether a project, having executed a GIA is **currently** meeting its obligations regardless of past investment in the project.³⁰ Projects that

²⁸ Under *Lakeswind*, the Commission need not consider further delay for the project if it is incompatible with the MISO Tariff, but only needs to determine whether "the proposed termination is not unjust, unreasonable, unduly discriminatory or preferential, or if it is consistent with the public interest." *Lakeswind*, 137 FERC ¶ 61,008 at P 25. The Commission has permitted such delays in the past, but such a process is no longer compatible with the MISO GIP. See, e.g., *Illinois Power Co.*, 120 FERC ¶ 61,237, at P 25 (2007) (stating that "it is important to ensure that interconnection queues do not become clogged with speculative projects.") ("*Illinois Power*"). In *Illinois Power*, the Commission recognized the danger of speculative projects, but rejected a notice of termination and directed the Interconnection Customer to make periodic filings every six months to update the status of its project. *Id.* To MISO's knowledge, no such filings were ever made and the project continued to create uncertainty in the queue until it was later withdrawn. Utilizing such a "wait and see" solution as was applied in 2007 is not compatible with the current "first ready, first served" methodology implemented in the MISO GIP since 2008 and the Commission's more recently articulated goals of "getting projects that are not making progress toward commercial operation out of the queue, and helping viable projects achieve commercial operation as soon as possible." *Queue Reform III Order*, 138 FERC ¶ 61,223 at P 30.

²⁹ See notes 19-22, *supra*, and accompanying text (discussing the "documented harm" from late-stage terminations that supported revisions to the MISO Tariff to minimize the risk of interconnection customers terminating their projects at a late-stage).

³⁰ In *Illinois Power*, the project stated that it had spent "tens of millions of dollars" in development, but was unable to proceed due to legal challenges. *Illinois Power Co.*, 120 FERC ¶ 61,237, at P 24. However, a large investment ultimately did not prevent the withdrawal of that project and provides a less accurate measure of project readiness to proceed to commercial operation than the binding commitments in the GIA.

have reached the stage of executing a GIA with binding obligations will have committed a certain amount of time and resources to the project. However, the Commission has found that “simply having an executed GIA was not sufficient to demonstrate a commitment to achieve commercial operation.”³¹ As long as a project meets its obligations under the GIA, it has demonstrated continuing progress towards completion. However, it is self-evident that a project that does not meet its contractual obligations has demonstrated by its inaction that it is not making progress toward timely commercial operation and termination of its GIA is just and reasonable.

The choice to terminate this Interconnection Agreement due to Interconnection Customer’s failure to meet its COD for three years is also not unduly discriminatory under the *Lakeswind* standard. This delay under an executed GIA provides a reasonable distinction upon which to pursue termination of the Interconnection Agreement because a project that is in Default is not “similarly situated” with those projects that continue to meet their GIA obligations so the acceptance of a Notice of Termination of this Interconnection Agreement is not undue discrimination.³² Specifically, the Commission has found that meeting obligations under a GIA is a reasonable requirement to show a project’s readiness to proceed and that viable projects should be prepared to proceed after they have executed a GIA. The Commission explained as follows:

We do not dispute that developers face challenges in order to proceed through the interconnection process and to achieve commercial operation. However, we believe that viable projects would have been laying the groundwork and marketing their projects well ahead of executing a GIA. ***That is, for projects that are truly viable, the negotiations necessary to finalize business arrangements should be nearly finalized well prior to the actual execution of the GIA such that once the GIA is executed, the other arrangements necessary to obtain funding should be able to be finalized and executed soon after the GIA is executed.***³³

Once an interconnection customer has executed a GIA, it should be prepared to proceed to meet those obligations and termination of the GIA for the failure to meet these obligations is consistent with Commission precedent cited above regarding elimination of “speculative” projects because the failure to reach COD for three years demonstrates that the project is not commercially viable at this time.³⁴ Under MISO’s GIP, the project’s own readiness determines

³¹ *June 27 Rehearing Order* 139 FERC ¶ 61,253 at P 34; *see note 15, supra*.

³² *See, e.g., Cal. Indep. Sys. Operator Corp.*, 119 FERC ¶ 61,076, at P 369 (2007) (“the [Federal Power Act] does not prohibit all discrimination, only undue discrimination. In general, discrimination is ‘undue’ when there is a difference of rates, terms or conditions among similarly situated customers. The Commission has broad discretion in determining when discrimination is undue.”) (internal citations omitted).

³³ *Queue Reform III Order*, 138 FERC ¶ 61,223 at P 179 (emphasis added).

³⁴ *Id.*; *see Queue Reform III Order*, 138 FERC ¶ 61,223 at P 30 (noting the goals of queue reform include “getting projects that are not making progress toward commercial operation out of the queue”); *see also*

whether it remains in the queue for further study or moves more swiftly to a GIA.³⁵ Similarly, a project's own lack of progress under a GIA can fairly determine that the project is not "truly viable" and should be terminated for failure to reach commercial operation for three years under the terms of its GIA.³⁶ Such action enforces the terms of an existing contract and there is no undue discrimination in taking action to terminate this Interconnection Agreement because Interconnection Customer has not met its obligations.

2. Termination of the Interconnection Agreement is just and reasonable, not unduly discriminatory, and consistent with the public interest because it will benefit viable lower queued projects by protecting them from uncertainty and minimizing their risk.

The Commission should also consider the benefits to other projects as part of its finding that the "proposed termination is not unjust, unreasonable, unduly discriminatory or preferential, or if it is consistent with the public interest."³⁷ Termination of the Interconnection Agreement when the Interconnection Customer has failed to reach commercial operation for three years meets this standard because termination benefits viable projects by making it easier for them to successfully reach commercial operation. One of the public interest goals of Order No. 2003 was to "expedite the development of new generation."³⁸ In discussing MISO's queue reforms to implement this goal, the Commission has described the correlation between removing speculative projects from the queue and protecting viable projects from uncertainty. The *Queue Reform III Order* explained that "reform is necessary due to the fact that MISO continues to experience a backlog in the queue and has seen an increase in the number of projects withdrawing in the later stages of the interconnection process."³⁹ As discussed above, many of the reforms adopted in the *Queue Reform III Order* increased the requirements on projects to remain in the queue in order to remove speculative projects so that viable projects could move forward. The Commission noted that "[w]hile underfunded projects may decide to withdraw from the queue [in response to the reforms accepted in the *Queue Reform III Order*], independent developers that have properly funded their projects should *benefit* from the increased efficiency

Lakeswind, 137 FERC ¶ 61,008, at P 25 (noting that the Commission will consider "any uncertainty that speculative projects may present to other projects in the queue"); *Illinois Power Co.*, 120 FERC ¶ 61,237 at P 25 (2007) (stating that "it is important to ensure that interconnection queues do not become clogged with speculative projects."); accord *Virginia Electric & Power Co.*, 104 FERC ¶ 61,249, at P 17 (2003).

³⁵ *Queue Reform III Order*, 138 FERC ¶ 61,223 at PP 108-09 & 116-17 (discussing the "two queue" revisions to the GIP that permit a project to remain indefinitely in the System Planning and Analysis Phase provided it "refreshes" its system impact study once every 18 months).

³⁶ *Id.* at P 179.

³⁷ *Lakeswind*, 137 FERC ¶ 61,008 at P 25 (citations omitted).

³⁸ *Queue Reform III Order*, 138 FERC ¶ 61,223 at P 29.

³⁹ *Id.* at P 30.

of the interconnection process.”⁴⁰ This finding demonstrates that the termination of a project that has not met its milestones under a GIA should benefit other projects and “is not unjust, unreasonable, unduly discriminatory or preferential” as well as “consistent with the public interest.”⁴¹

As far back as 2008, Commission orders have noted the benefit to lower queued projects of removing uncertainty regarding whether or not a higher queued project will meet obligations under its executed GIA.⁴² As explained in the Commission’s 2008 *Queue Reform I Order*, “[MISO’s] new interconnection procedures are designed so that **once a customer executes an interconnection agreement, the network upgrades will be built**. In this manner, lower-queued projects of all varieties (*i.e.*, affiliated generators, independent developers, wind, non-wind, etc.) are assured that the network upgrades that they are relying on to be built do in fact get built.”⁴³ MISO raised similar arguments in the *Lakeswind* proceeding which the Commission did not address on rehearing, but prompted MISO to raise in future termination filings.⁴⁴ Specifically, MISO reiterates here that in accepting these limitations on suspension in the *Queue Reform I Order*, the Commission recognized the pernicious effect that uncertainty caused by “speculative” projects had on lower queued projects and the harm to the entire process. In so doing, the Commission rejected the rationale that an interconnection customer should have additional time beyond the nine-month period provided in the GIP to develop its project and market its energy.⁴⁵

⁴⁰ *Queue Reform III Order*, 138 FERC ¶ 61,223 at P 179 (emphasis added); *see id.* at P 147 (noting that because late-stage terminations can lead to multiple and iterative restudies for lower-queued customers, the Commission would anticipate that reducing the number of projects at risk for a “late-stage termination” would permit “projects with viable business plans will more easily and quickly reach commercial operation.” *Id.* at P 147. In other orders, the Commission has reiterated that the changes adopted by the *Queue Reform III Order* which, among other things, impose greater financial obligations upon customers to proceed through the queue should also “**better protect viable projects** from the impact of the withdrawal of speculative projects [and] help minimize this risk [of restudy based on another project’s withdrawal] for interconnection customers going forward.” *October 19 Order*, 141 FERC ¶ 61,050 at P 34 (emphasis added). Acting to terminate this project implements Commission policy and will “protect viable projects from the impact of the withdrawal of speculative projects” consistent with Commission policy. *Id.*

⁴¹ *Lakeswind*, 137 FERC ¶ 61,008, at P 25 (quoted above).

⁴² *See Midwest Indep. Transmission Sys. Operator, Inc.*, 124 FERC ¶ 61,183 at P 105-111 (2008) (discussing the rationale for accepting limitations on suspension under a GIA so that other projects will have the benefit of increased certainty that upgrades of higher queue projects will actually be built) (“*Queue Reform I Order*”).

⁴³ *Id.* at P 109 (emphasis added).

⁴⁴ *Lakeswind Rehearing Order*, 141 FERC ¶ 61,097 at P 35. As explained herein, the upgrades under the Interconnection Agreement have been built, but uncertainty remains because the project has not moved forward to commercial operation.

⁴⁵ The Commission summarized the nine month time period in MISO’s *Queue Reform I* proposal as follows:

The interconnection customer’s time frame for meeting the M3 milestone [in Section 11.3 of the GIP], which includes proof of power off-take agreements, contracts for construction, permit applications, or other commercial milestones, is extended to six

In Paragraph 109 of the *Queue Reform I Order*, the Commission rejected challenges to this timeline under the GIP and explained as follows:

109. *We do not agree with intervenors who argue that the reduction of the maximum period during which an interconnection customer can further develop its project without having to pay for network upgrades from three years to only nine months is disproportionately burdensome on independent developers.* As we stated previously, queue reform should not result in undue discrimination between types of developers. Under the current interconnection procedures, when a customer suspends its project, it does not have to make payments for network upgrades. This means that those network upgrades do not get built even though lower-queued projects may be depending on them. *Under the proposed procedures* [now accepted pursuant to the *Queue Reform I Order*], *the interconnection customer will have up to nine months plus the actual time necessary for completion of the Facilities Study during which to make commercial and economic arrangements (i.e., to market its energy) and to file the interconnection agreement. The new interconnection procedures are designed so that once a customer executes an interconnection agreement, the network upgrades will be built. In this manner, lower-queued projects of all varieties (i.e., affiliated generators, independent developers, wind, non-wind, etc.) are assured that the network upgrades that they are relying on to be built do in fact get built.* If an interconnection customer needs additional time to make commercial and economic arrangements, it may build long lead times into the Appendix B timetable for construction of network upgrades in its interconnection agreement. However, the new interconnection procedures will not allow it to avoid paying for network upgrades.⁴⁶

Permitting an interconnection customer to remain in the queue after it has failed to meet obligations under its executed GIA is contrary to this GIP procedure limiting suspension rights under the GIA to ensure the certainty that “once a customer executes an interconnection agreement, the network upgrades will be built.”⁴⁷ The failure to reach commercial operation for three consecutive years under an executed GIA has the same delaying effect as the previously permitted suspension (*i.e.*, “when a customer suspends its project, it does not have to make

months rather than the current 15 days. The six-month grace period is then added to the existing three-month period between the completion of the Facilities Study and the signing of the Interconnection Agreement. Thus, an interconnection customer will have *up to nine months plus the actual time needed to conduct the Facilities Study between completion of the System Planning and Analysis Review and the time when it must file the interconnection agreement.* Midwest ISO believes that this amount of time suffices to eliminate the need for economic suspension.

Queue Reform I Order, 124 FERC ¶ 61,183 at P 91 n. 82 (emphasis added).

⁴⁶ *Id.* at P 109 (emphasis added).

⁴⁷ *Id.*

payments for network upgrades.”) and cannot be permitted if the GIP revisions eliminating suspension absent a Force Majeure event are to be effective.⁴⁸ Such delays beyond COD raise the same concerns that prompted the need for MISO to propose (and the Commission to accept) limits on the suspension rights under the *pro forma* GIA, namely the concern that when a project could suspend its obligations, its assigned “network upgrades do not get built even though lower-queued projects may be depending on them[.]”⁴⁹ Because MISO’s studies of lower queued projects must include as assumptions the network upgrades to be built by higher queued projects with GIAs, the uncertainty for lower queued projects includes the possibility of restudy if a higher queued project does not proceed.⁵⁰ Accordingly, numerous lower queued projects “are relying on” Interconnection Customer to fund the upgrades identified in its Interconnection Agreement because they face the risk of further restudy if the GIA obligations are not fulfilled.⁵¹ The removal of the uncertainty and the corresponding benefit of increased certainty for viable lower queued projects contemplated in the *Queue Reform I Order* can only be realized if the Commission accepts this Notices of Termination to permit the termination of the Interconnection Agreement due to Interconnection Customer’s failure to reach commercial operation. To permit Interconnection Customer to evade the limits in the suspension provision of the *pro forma* GIA undercuts these revisions and threatens to recreate the problems addressed by the *Queue Reform I Order* by endorsing a “*de facto* suspension.”⁵²

Finally, the Commission should recognize that the termination of this Interconnection Agreement does not necessarily terminate the project for all time and may, in fact, benefit the project by permitting it to continue at a later time when it is ready to proceed. Although the termination of the Interconnection Agreement will remove this project from the queue, Interconnection Customer may submit a new interconnection request and re-enter the queue at any time under MISO’s new GIP. Under the “two queue” innovation in MISO’s GIP, a project with a new interconnection request may elect to proceed more swiftly through the process to the Definitive Planning Phase if it is prepared to proceed or remain in its new lower queue position in the System Planning and Analysis (“SPA”) Phase at a minimal cost.⁵³ The option to wait in

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ See notes 23-24, *supra*, and accompanying text (discussing the harm of potential “cascading” restudies when a higher queued project withdraws).

⁵¹ See *Queue Reform I Order*, 124 FERC ¶ 61,183 at P 109. See *id.* at PP 107-08 (discussing the harm under the previously effective three-year suspension period). Currently, a project may only suspend its GIA for a *force majeure* event, but must still provide security to permit the necessary network upgrades to be constructed). *Id.* at P 91 & 111.

⁵² *Id.* at P 109-11; see note 11, *supra* (citing discussion of the shorthand term “*de facto* suspension” in the *Lakeswind Rehearing Order*, 141 FERC ¶ 61,097 at P 32).

⁵³ *Queue Reform III Order*, 138 FERC ¶ 61,223 at P 116-17 (accepting “two queue” revisions to MISO’s Attachment X to permit projects to choose to enter the “Definitive Planning Phase (“DPP”)” if they are ready to proceed or remain in the SPA Phase at a minimal cost until they are ready to proceed). A project that re-entered the queue would be subject to “readiness” milestones discussed above under the currently effective GIP, but could also elect to remain in the SPA phase at a minimal cost.

the SPA phase with a new interconnection request is designed to provide an interconnection customer with the opportunity to explore alternative options without subjecting other projects to unnecessary uncertainty.⁵⁴ Alternatively, if the project re-enters the queue and believes that it needs little new information, it may choose to move into the DPP and obtain a new Generator Interconnection Agreement after it is studied. Either of these options could potentially benefit this Interconnection Customer while still providing increased certainty to others in the queue by eliminating the uncertainty created by Interconnection Customer's failure to reach commercial operation under the current Interconnection Agreement. In contrast, the alternative of retaining Interconnection Customer's project in the queue while the project has not reached commercial operation for three consecutive years under the Interconnection Agreement only prolongs uncertainty for other projects and does little to help Interconnection Customer's project decide whether to move forward to commercial operation. Because the termination of the Interconnection Agreement will increase certainty for others and may provide more certainty for this project, acceptance of the Notice of Termination is just and reasonable, not unduly discriminatory, and consistent with the public interest.⁵⁵ Accordingly, MISO respectfully requests that the Commission accept the Notice of Termination for the reasons discussed herein.

III. EFFECTIVE DATE

Consistent with Section 35.15 of the Commission's regulations, MISO seeks an effective date of January 29, 2015 for the termination.

IV. DOCUMENTS SUBMITTED IN THIS FILING

The documents being submitted with this filing include this transmittal letter,

- Notice of Termination,
- Exhibit 1 – Generator Interconnection Agreement
- Exhibit 2 – Minnesota Public Utility Commission Order terminating proceedings related to New Era Wind Farm, LLC

⁵⁴ *Id.* at P 116 (noting that remaining in the SPA phase would give an interconnection customer the opportunity to obtain additional information on cost and risk that it believes is necessary to proceed to the DPP).

⁵⁵ *See Lakeswind*, 137 FERC ¶ 61,008 at P 25 (quoted above).

V. COMMUNICATIONS

Correspondence, pleadings and other materials regarding this filing should be addressed to the following persons:

Jacob Krouse (jkrouse@misoenergy.org)*
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Midcontinent Independent System Operator, Inc.
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Carmel, IN 46082-4202
Telephone: 317-249-5400
* Persons authorized to receive service

VI. NOTICE AND SERVICE

MISO notes that it has served a copy of this filing electronically, including attachments, upon all Tariff Customers under the Tariff, MISO Members, Member representatives of Transmission Owners and Non-Transmission Owners, MISO Advisory Committee participants, as well as all state commissions within the Region. The filing has been posted electronically on the MISO's website at <https://www.midwestiso.org/Library/FERCFilingsOrders/Pages/FERCFilings.aspx> for other interested parties in this matter. In addition, MISO has served a copy of this filing electronically on all parties to this agreement.

VII. CONCLUSION

In summary, as a result of the failure to commence Commercial Operation of the Interconnection Customer under its Interconnection Agreement, other lower queued projects are forced to proceed with the uncertainty that they may bear responsibility for additional Network Upgrades or face additional restudies. These lower-queued projects, the Transmission Owners, and MISO also must expend additional resources to account for the Interconnection Customer's failure to reach commercial operation for three consecutive years. Other projects in the queue would also benefit from increased certainty if this Interconnection Agreement is terminated and Interconnection Customer could submit a new interconnection request if it sought to pursue the project.

The Honorable Kimberly D. Bose

October 30, 2014

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For all of the reasons discussed above, acceptance of the Notice of Termination is “not unjust, unreasonable, unduly discriminatory or preferential,” and is “consistent with the public interest.”⁵⁶ Therefore, pursuant to Section 2.3.1 of the Interconnection Agreement, MISO respectfully requests that the Commission accept the Notice of Termination to terminate the Interconnection Agreement, effective on January 29, 2015.

Sincerely,

/s/ Jacob T. Krouse

Jacob T. Krouse
Attorney for the Midcontinent Independent
System Operator, Inc.

Attachment

cc: Jean Cassell Mayhew, GRE
Peter Mastic, New Era
Jerry Fohey, MISO
Patrick Brown, MISO

⁵⁶ *Lakeswind*, 137 FERC ¶ 61,008 at P 25.

Exhibit 1

**GENERATOR INTERCONNECTION
AGREEMENT (GIA) (H062)**

THIS GENERATOR INTERCONNECTION AGREEMENT ("GIA") is made and entered into this 15th day of September 2010, by and between **AWA Goodhue LLC** ("Interconnection Customer" with a Generating Facility) a limited liability company organized and existing under the laws of the State of Minnesota, and **Great River Energy**, a cooperative corporation, organized and existing under the laws of the State of Minnesota ("Transmission Owner"), and the **Midwest Independent Transmission System Operator, Inc.**, a non-profit, non-stock corporation organized and existing under the laws of the State of Delaware ("Transmission Provider"). Interconnection Customer, Transmission Owner and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Transmission Provider operates and/or controls the Transmission System;
and

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Generating Facility in Appendix A to this GIA; and

WHEREAS, Transmission Owner owns or operates the Transmission System, whose operations are subject to the functional control of the Transmission Provider, to which the Interconnection Customer desires to connect the Generating Facility, and may therefore be required to construct certain Interconnection Facilities and Network Upgrades, as set forth in this GIA; and

WHEREAS, Interconnection Customer, Transmission Owner and Transmission Provider have agreed to enter into this GIA for the purpose of interconnecting the Generating Facility with the Transmission System;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

ARTICLE 1. DEFINITIONS

When used in this GIA, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used. Those capitalized terms used in this GIA that are not otherwise defined in this GIA have the meaning set forth in the Tariff.

Adverse System Impact shall mean the negative effects due to technical or operational limits on conductors or equipment being exceeded that may compromise the safety and reliability of the electric system.

Affected System shall mean an electric transmission or distribution system or the electric system associated with an existing generating facility or of a higher queued Generating Facility, which is an electric system other than the Transmission System that may be affected by the Interconnection Request. An Affected System may or may not be subject to FERC jurisdiction.

Affected System Operator shall mean the entity that operates an Affected System.

Affiliate shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

Ancillary Services shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission System in accordance with Good Utility Practice.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the Parties, their respective facilities and/or the respective services they provide.

Applicable Reliability Council shall mean the reliability council of NERC applicable to the Local Balancing Authority of the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean Reliability Standards approved by the Federal Energy Regulatory Commission (FERC) under section 215 of the Federal Power Act, as applicable.

Base Case shall mean the base case power flow, short circuit, and stability databases used for the Interconnection Studies by the Transmission Provider or Interconnection Customer.

Breach shall mean the failure of a Party to perform or observe any material term or condition of this GIA.

Breaching Party shall mean a Party that is in Breach of this GIA.

Business Day shall mean Monday through Friday, excluding Federal Holidays.

Calendar Day shall mean any day including Saturday, Sunday or a Federal Holiday.

Commercial Operation shall mean the status of a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.

Commercial Operation Date of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to this GIA.

Confidential Information shall mean any proprietary or commercially or competitively sensitive information, trade secret or information regarding a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, or any other information as specified in Article 22, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise, that is received by another Party.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of this GIA.

Demonstrated Capability shall mean the continuous net real power output that the Generating Facility is required to demonstrate in compliance with Applicable Reliability Standards.

Dispute Resolution shall mean the procedure for resolution of a dispute between or among the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Transmission Owner's facilities and equipment, or the Distribution System of another party that is interconnected with the Transmission Owner's Transmission System, if any, connected to the Transmission System, over which facilities transmission service or Wholesale Distribution Service under the Tariff is available at the time the Interconnection Customer has requested interconnection of a Generating Facility for the purpose of either transmitting electric energy in interstate commerce or selling electric energy at wholesale in interstate commerce and which are used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among Local Balancing Authorities and other entities owning distribution facilities interconnected to the Transmission System.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the delivery service necessary to effect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

Effective Date shall mean the date on which this GIA becomes effective upon execution by the Parties subject to acceptance by the Commission, or if filed unexecuted, upon the date specified by the Commission.

Emergency Condition shall mean a condition or situation: (1) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life, property, or public health and safety; or (2) that, in the case of either Transmission Provider or Transmission Owner, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, Transmission Owner's Interconnection Facilities or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and blackstart shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by this GIA to possess blackstart capability. Any condition or situation that results from lack of sufficient generating capacity to meet load requirements or that results solely from economic conditions shall not constitute an Emergency Condition, unless one of the enumerated conditions or situations identified in this definition also exists.

Energy Resource Interconnection Service (ER Interconnection Service) shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System or Distribution System, as applicable, to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service does not convey transmission service.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Environmental Law shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

Federal Holiday shall mean a Federal Reserve Bank holiday for a Party that has its principal place of business in the United States and a Canadian Federal or Provincial banking holiday for a Party that has its principal place of business located in Canada.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a *et seq.*

FERC shall mean the Federal Energy Regulatory Commission, also known as Commission, or its successor.

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 an act of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device(s) for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

Generating Facility Capacity shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

Generator Interconnection Agreement (GIA) shall mean the form of interconnection agreement, set forth herein.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures set forth in Attachment X of the Tariff.

Generator Upgrades shall mean the additions, modifications, and upgrades to the electric system of an existing generating facility or of a higher queued Generating Facility at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the transmission service necessary to affect Interconnection Customer's wholesale sale of electricity in interstate commerce.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services

they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, Transmission Owner, or any Affiliate thereof.

Group Study(ies) shall mean the process whereby more than one Interconnection Request is studied together, instead of serially, for the purpose of conducting one or more of the required Studies.

Hazardous Substances shall mean any chemicals, materials or substances defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “hazardous constituents,” “restricted hazardous materials,” “extremely hazardous substances,” “toxic substances,” “radioactive substances,” “contaminants,” “pollutants,” “toxic pollutants” or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

HVDC Facilities shall mean the high voltage direct current transmission facilities, including associated alternating current facilities, if any, that are subject to Section 27A of the Tariff and that are specifically identified in (i) any Agency Agreement pertaining to such facilities between the Transmission Provider and the Transmission Owner that owns or operates such facilities, or (ii) in any other arrangement that permits or will permit the Transmission Provider to provide HVDC Service over such facilities as set forth in Section 27A of the Tariff.

HVDC Service shall mean Firm and Non-Firm Point-To-Point Transmission Service provided by the Transmission Provider on HVDC Facilities pursuant to Section 27A of the Tariff.

Initial Synchronization Date shall mean the date upon which the Generating Facility is initially synchronized and upon which Trial Operation begins.

In-Service Date shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Owner’s Interconnection Facilities to obtain backfeed power.

Interconnection Customer shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Transmission System.

Interconnection Customer’s Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of this GIA, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission System or Distribution System, as applicable. Interconnection Customer’s Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean the Transmission Owner's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission System. Interconnection Facilities shall not include Distribution Upgrades, Generator Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider, or its agent, for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities, System Protection Facilities, and if such upgrades have been determined, Network Upgrades, Distribution Upgrades, Generator Upgrades, and upgrades on Affected Systems, as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 4 of the Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact of interconnecting the Generating Facility to the Transmission System.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission System.

Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Generating Facility to the Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of this GIA and, if applicable, the Tariff.

Interconnection Study shall mean any of the studies described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean the form of agreement contained in Attachment B to Appendix 1 of the Generator Interconnection procedures for conducting all studies required by the Generator Interconnection Procedures.

Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection

Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

IRS shall mean the Internal Revenue Service.

Local Balancing Authority shall mean an operational entity or a Joint Registration Organization which is (i) responsible for compliance with the subset of NERC Balancing Authority Reliability Standards defined in the Balancing Authority Agreement for their local area within the Midwest ISO Balancing Authority Area, (ii) a Party to Balancing Authority Agreement, excluding the Midwest ISO, and (iii) shown in Appendix A to the Balancing Authority Agreement.

Loss shall mean any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's performance, or non-performance of its obligations under this GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing, by the indemnified party.

Material Modification shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

Metering Equipment shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to this GIA at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

NERC shall mean the North American Electric Reliability Corporation or its successor organization.

Network Customer shall have that meaning as provided in the Tariff.

Network Resource shall mean any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

Network Resource Interconnection Service (NR Interconnection Service) shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in the same manner as for any Generating Facility being designated as a Network Resource. Network Resource Interconnection Service does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the Transmission System required at or beyond the point at which the Interconnection Facilities

connect to the Transmission System or Distribution System, as applicable, to accommodate the interconnection of the Generating Facility to the Transmission System. Network Upgrade shall not include any HVDC Facility Upgrades.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with this GIA or its performance.

Optional Interconnection Study shall mean a sensitivity analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Optional Interconnection Study.

Party or Parties shall mean Transmission Provider, Transmission Owner, Interconnection Customer, or any combination of the above.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Generator Interconnection Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Owner's Interconnection Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider.

Reasonable Efforts shall have that meaning as provided in the Tariff.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner, Affected System Operator(s) and Transmission Provider conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

Shared Network Upgrade shall mean a Network Upgrade or Common Use Upgrade that is funded by an Interconnection Customer(s) and also benefits other Interconnection Customer(s) that are later identified as beneficiaries.

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

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 20 MW.

Special Protection System (SPS) shall mean an automatic protection system or remedial action scheme designed to detect abnormal or predetermined system conditions, and take corrective actions other than and/or in addition to the isolation of faulted components, to maintain system reliability. Such action may include changes in demand (MW and MVar), energy (MWh and MVarh), or system configuration to maintain system stability, acceptable voltage, or power flows. An SPS does not include (a) underfrequency or undervoltage load shedding, (b) fault conditions that must be isolated, (c) out-of-step relaying not designed as an integral part of an SPS, or (d) Transmission Control Devices.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. The Transmission Provider, Transmission Owner and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to this GIA.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System or other delivery systems or other generating systems from faults or other electrical disturbances occurring at the Generating Facility and (2) the Generating Facility from faults or other electrical system disturbances occurring on the Transmission System or on other delivery systems or other generating systems to which the Transmission System is directly connected.

Tariff shall mean the Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Transmission Control Devices shall mean a generally accepted transmission device that is planned and designed to provide dynamic control of electric system quantities, and are usually employed as solutions to specific system performance issues. Examples of such devices include fast valving, high response exciters, high voltage DC links, active or real power flow control and reactive compensation devices using power electronics (*e.g.*, unified power flow controllers), static var compensators, thyristor controlled series capacitors, braking resistors, and in some cases mechanically-switched capacitors and reactors. In general, such systems are not considered to be Special Protection Systems.

Transmission Owner shall mean that Transmission Owner as defined in the Tariff, which includes an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at which the Interconnection Customer proposes to interconnect or otherwise integrate the operation of the Generating Facility. Transmission Owner should be read to include any Independent Transmission Company that manages the transmission facilities of the Transmission Owner and shall include, as applicable, the owner and/or operator of distribution facilities interconnected to the Transmission System, over which facilities transmission service or Wholesale Distribution Service under the Tariff is available at the time

the Interconnection Customer requests Interconnection Service and to which the Interconnection Customer has requested interconnection of a Generating Facility for the purpose of either transmitting electric energy in interstate commerce or selling electric energy at wholesale in interstate commerce.

Transmission Provider shall mean the Midwest Independent Transmission System Operator, Inc. (the “Midwest ISO”), the Regional Transmission Organization that controls or operates the transmission facilities of its transmission-owning members used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff.

Transmission Owner’s Interconnection Facilities shall mean all facilities and equipment owned by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to this GIA, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner’s Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Generator Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned by the Transmission Owner and controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission service (including HVDC Service) or Wholesale Distribution Service under the Tariff.

Trial Operation shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to Commercial Operation.

Wholesale Distribution Service shall have that meaning as provided in the Tariff. Wherever the term “transmission delivery service” is used, Wholesale Distribution Service shall also be implied.

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

- 2.1 Effective Date.** This GIA shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC. Transmission Provider shall promptly file this GIA with FERC upon execution in accordance with Article 3.1, if required.
- 2.2 Term of Agreement.** Subject to the provisions of Article 2.3, this GIA shall remain in effect for a period of thirty (30) years from the Effective Date and shall be automatically renewed for each successive one-year period thereafter on the anniversary of the Effective Date.
- 2.3 Termination Procedures.** This GIA may be terminated as follows:
- 2.3.1 Written Notice.** This GIA may be terminated by Interconnection Customer after giving the Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice or by Transmission Provider if the Generating Facility has ceased Commercial Operation for three (3) consecutive years, beginning with the last date of Commercial Operation for the Generating Facility, after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. The Generating Facility will not be deemed to have ceased Commercial Operation for purposes of this Article 2.3.1 if the Interconnection Customer can document that it has taken other significant steps to maintain or restore operational readiness of the Generating Facility for the purpose of returning the Generating Facility to Commercial Operation as soon as possible.
- 2.3.2 Default.** Any Party may terminate this GIA in accordance with Article 17.
- 2.3.2** Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this GIA, if required, which notice has been accepted for filing by FERC.
- 2.4 Termination Costs.** If a Party elects to terminate this GIA pursuant to Article 2.3 above, each Party shall pay all costs incurred for which that Party is responsible (including any cancellation costs relating to orders or contracts for Interconnection Facilities, applicable upgrades, and related equipment) or charges assessed by the other Parties, as of the date of the other Parties' receipt of such notice of termination, under this GIA. In the event of termination by a Party, the Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this GIA, unless otherwise ordered or approved by FERC:
- 2.4.1** With respect to any portion of the Transmission Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades, Generator Upgrades, and if so determined and made a part of this GIA,

upgrades on Affected Systems, that have not yet been constructed or installed, the Transmission Owner shall to the extent possible and to the extent of Interconnection Customer's written notice under Article 2.3.1, cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Interconnection Customer elects not to authorize such cancellation, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Transmission Owner shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Transmission Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by the Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this GIA, it shall be responsible for all costs incurred in association with that Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any upgrades or related equipment for which the Transmission Owner has incurred expenses and has not been reimbursed by the Interconnection Customer.

- 2.4.2** Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that Interconnection Customer chooses not to accept delivery of, in which case Transmission Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities. If Transmission Owner does not so elect, then Interconnection Customer shall be responsible for such costs.
- 2.4.3** With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this GIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation, reconfiguration or other disposition or retirement of such materials, equipment, or facilities, and such other expenses actually incurred by Transmission Owner necessary to return the Transmission, Distribution or Generator System, as applicable, to safe and reliable operation.
- 2.5** **Disconnection.** Upon termination of this GIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission or Distribution System, as applicable. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this GIA or such non-terminating Party otherwise is responsible for these costs under this GIA.

- 2.6 Survival.** This GIA shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this GIA was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this GIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

ARTICLE 3. REGULATORY FILINGS

- 3.1 Filing.** The Transmission Provider shall file this GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. A Party may request that any information so provided be subject to the confidentiality provisions of Article 22. If that Party has executed this GIA, or any amendment thereto, the Party shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

ARTICLE 4. SCOPE OF SERVICE

- 4.1 Interconnection Product Options.** Interconnection Customer has selected the following (checked) type of Interconnection Service:

Check: X ER and/or X NR (See Appendix A for details)

4.1.1 Energy Resource Interconnection Service (ER Interconnection Service).

- 4.1.1.1 The Product.** ER Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission or Distribution System, as applicable, and be eligible to deliver the Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. To the extent Interconnection Customer wants to receive ER Interconnection Service, the Transmission Owner shall construct facilities consistent with the studies identified in Appendix A.

An Interconnection Customer seeking ER Interconnection Service for new or added capacity at a Generating Facility may be granted conditional ER Interconnection Service status to the extent there is such capacity available on the Transmission System to accommodate the Interconnection Customer's Generating Facility. At the request of the Interconnection Customer, conditional ER Interconnection Service status may be granted subject to the system being able to accommodate the interconnection without upgrades, until such time as a higher queued

project(s) with a later service date affecting the same common elements is placed into service. The conditional ER Interconnection Service shall be terminated in the event the Interconnection Customer fails to fund the necessary studies and the Network Upgrades necessary to grant the Interconnection Customer's ER Interconnection Service upon the completion of higher queued projects involving the same common elements.

4.1.1.2 Transmission Delivery Service Implications. Under ER Interconnection Service, the Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the Transmission System on an "as available" basis up to the amount of MW identified in the applicable stability and steady state studies to the extent the upgrades initially required to qualify for ER Interconnection Service have been constructed. After that date FERC makes effective the Midwest ISO's Energy Market Tariff filed in Docket No. ER04-691-000, Interconnection Customer may place a bid to sell into the market up to the maximum identified Generating Facility output, subject to any conditions specified in the interconnection service approval, and the Generating Facility will be dispatched to the extent the Interconnection Customer's bid clears. In all other instances, no transmission or other delivery service from the Generating Facility is assured, but the Interconnection Customer may obtain Point-To-Point Transmission Service, Network Integration Transmission Service or be used for secondary network transmission service, pursuant to the Tariff, up to the maximum output identified in the stability and steady state studies. In those instances, in order for the Interconnection Customer to obtain the right to deliver or inject energy beyond the Point of Interconnection or to improve its ability to do so, transmission delivery service must be obtained pursuant to the provisions of the Tariff. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of the Transmission or Distribution System as applicable, at such time as a transmission service request is made that would accommodate such delivery. The provision of Firm Point-To-Point Transmission Service or Network Integration Transmission Service may require the construction of additional Network or Distribution Upgrades.

4.1.2 Network Resource Interconnection Service (NR Interconnection Service).

4.1.2.1 The Product. The Transmission Provider must conduct the necessary studies and the Transmission Owner shall construct the facilities identified in Appendix A of this GIA, subject to the approval of Governmental Authorities, needed to integrate the Generating Facility in

the same manner as for any Generating Facility being designated as a Network Resource.

4.1.2.2 Transmission Delivery Service Implications. NR Interconnection Service allows the Generating Facility to be designated by any Network Customer under the Tariff on the Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources that are interconnected to the Transmission or Distribution System, as applicable, and to be studied as a Network Resource on the assumption that such a designation will occur. Although NR Interconnection Service does not convey a reservation of transmission service, any Network Customer can utilize network service under the Tariff to obtain delivery of energy from the Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving NR Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Network Resource. However, if the Generating Facility has not been designated as a Network Resource by any Network Customer, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all generating facilities that are similarly situated. The provision of Network Integration Transmission Service or Firm Point-To-Point Transmission Service may require additional studies and the construction of additional upgrades. Because such studies and upgrades would be associated with a request for delivery service under the Tariff, cost responsibility for the studies and upgrades would be in accordance with FERC's policy for pricing transmission delivery services.

NR Interconnection Service does not necessarily provide the Interconnection Customer with the capability to physically deliver the output of its Generating Facility to any particular load on the Transmission System without incurring congestion costs. In the event of transmission or distribution constraints on the Transmission or Distribution System, as applicable, the Generating Facility shall be subject to the applicable congestion management procedures in the Transmission System in the same manner as Network Resources.

There is no requirement either at the time of study or interconnection, or at any point in the future, that the Generating Facility be designated as a Network Resource by a Network Customer or that the Interconnection Customer identify a specific buyer (or sink). To the extent a Network

Customer does designate the Generating Facility as a Network Resource, it must do so pursuant to the Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining NR Interconnection Service, any future transmission service request for delivery from the Generating Facility within the Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Generating Facility be undertaken, regardless of whether such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. To the extent the Interconnection Customer enters into an arrangement for long term transmission service for deliveries from the Generating Facility to customers other than the studied Network Customers, or for any Point-To-Point Transmission Service, such request may require additional studies and upgrades in order for the Transmission Provider to grant such request. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent the Interconnection Customer enters into an arrangement for long term transmission service for deliveries from the Generating Facility outside the Transmission System, such request may require additional studies and upgrades in order for the Transmission Provider to grant such request.

4.1.2.3 Conditional NR Interconnection Service. An Interconnection Customer seeking NR Interconnection Service for new or added capacity at a Generating Facility may be granted conditional NR Interconnection Service status to the extent there is such capacity available on the Transmission System to accommodate the Interconnection Customer's Generating Facility. At the request of the Interconnection Customer, conditional NR Interconnection Service status may be granted subject to the system being able to accommodate the interconnection without upgrades, until such time as higher queued project(s) with a later service date affecting the same common elements is placed into service. The conditional NR Interconnection Service status may be converted to ER Interconnection Service if either of the following occurs:

- 1) The Interconnection Customer fails to fund necessary studies and Network Upgrades required to allow the Interconnection Customer's Generating Facility to receive NR Interconnection Service upon the completion of higher queued projects involving the same common elements; or

- 2) The higher queued project(s) or planned and required Network Upgrades are placed in service and the Network Upgrades required to provide NR Interconnection Service status to the Interconnection Customer's Generating Facility are not in service.

In the event the Interconnection Customer fails to fund the necessary studies and Network Upgrades for NR Interconnection Service, the Interconnection Customer's conditional NR Interconnection Service status shall be converted to ER Interconnection Service status unless the Interconnection Customer makes a new Interconnection Request. Such new Interconnection Request shall be evaluated in accordance with the GIP and its new queue position priority.

Some or all of the conditional NR Interconnection Service status may be temporarily revoked if the Network Upgrades are not in service when the higher queued project(s) are placed in service. The availability of conditional NR Interconnection Service status will be determined by Transmission Provider's studies. Upon funding and completion of the Network Upgrades required to establish the Generating Facility's NR Interconnection Service status, the Generating Facility will be granted NR Interconnection Service status.

The Parties agree that the portion of the Generating Facility classified as NR Interconnection Service is the first portion of the output of the combined output of all the units at the Generating Facility except in circumstances where the Interconnection Customer otherwise elects in the Agreement, as amended, to allocate that portion to the output of specific unit(s) at the Generating Facility, the total of which will not exceed the output eligible for NR Interconnection Service as shown by the additional studies. To the extent Interconnection Customer desires to obtain NR Interconnection Service for any portion of the Generating Facility in addition to that supported by such additional studies, the Interconnection Customer will be required to request such additional NR Interconnection Service through a separate Interconnection Request in accordance with the GIP.

- 4.2 **Provision of Service.** Transmission Provider shall provide Interconnection Service for the Generating Facility at the Point of Interconnection.
- 4.3 **Performance Standards.** Each Party shall perform all of its obligations under this GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by such regulations and standards, or if the obligations of any Party may become limited by a change in Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice after the execution of this GIA, that Party shall not be deemed to be in Breach of this GIA for its compliance therewith. The

Party so limited shall notify the other Parties whereupon the Transmission Provider shall amend this GIA in concurrence with the other Parties and submit the amendment to the Commission for approval.

- 4.4 No Transmission Delivery Service.** The execution of this GIA does not constitute a request for, nor the provision of, any transmission delivery service under the Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.
- 4.5 Interconnection Customer Provided Services.** The services provided by Interconnection Customer under this GIA are set forth in Article 9.6 and Article 13.4.1. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select: 1) the In-Service Date, Initial Synchronization Date, and Commercial Operation Date based on a reasonable construction schedule that will allow sufficient time for design, construction, equipment procurement, and permit acquisition of Transmission System equipment or right-of-way; and 2) either Standard Option or Alternate Option set forth below for completion of the Transmission Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades and Generator Upgrades, as applicable, and set forth in Appendix A, and such dates and selected option shall be set forth in Appendix B. The dates and selected option shall be subject to the acceptance of the Transmission Owner taking into account the type of construction to be employed and the regulatory requirements of Governmental Authority, and does not convey any right to deliver electricity to any specific customer or Point of Delivery, including the need to obtain permits or other authorizations for construction of the Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades, Generator Upgrades, the Generating Facility and Stand-Alone Network Upgrades.

5.1.1 Standard Option. The Transmission Owner shall design, procure, and construct the Transmission Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades, and Generator Upgrades using Reasonable Efforts to complete the Transmission Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades and Generator Upgrades by the dates set forth in Appendix B, Milestones, subject to the receipt of all approvals required from Governmental Authorities and the receipt of all land rights necessary to commence construction of such facilities, and such other permits or authorizations as may be required. The Transmission Provider or Transmission Owner shall not be required

to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, Applicable Laws and Regulations and Good Utility Practice. In the event the Transmission Owner reasonably expects that it will not be able to complete the Transmission Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades and Generator Upgrades by the specified dates, the Transmission Owner shall promptly provide written notice to the Interconnection Customer and Transmission Provider and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option. If the dates designated by Interconnection Customer are acceptable to Transmission Provider and Transmission Owner, the Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and Transmission Owner shall assume responsibility for the design, procurement and construction of the Transmission Owner's Interconnection Facilities by the designated dates.

If Transmission Owner subsequently fails to complete Transmission Owner's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; Transmission Owner shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the Transmission Provider refuses to grant clearances to install equipment.

The Transmission Owner and Interconnection Customer may adopt an incentive payment schedule that is mutually agreeable to encourage the Transmission Owner to meet specified accelerated dates. Such payment by the Interconnection Customer is not subject to refund.

5.1.3 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner to complete the Transmission Owner's Interconnection Facilities or Stand Alone Network Upgrades, the Transmission Provider shall so notify the Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by the dates originally designated by the Interconnection Customer under Article 5.1.2. The Parties must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix

A. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.4 Negotiated Option. If the Interconnection Customer elects not to exercise its option under Article 5.1.3, Option to Build, Interconnection Customer shall so notify Transmission Provider and Transmission Owner within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Owner is responsible for the design, procurement and construction of the Transmission Owner's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Owner shall assume responsibility for the design, procurement and construction of the Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

The Transmission Owner and Interconnection Customer may adopt an incentive payment schedule that is mutually agreeable to encourage the Transmission Owner to meet specified accelerated dates. Such payment by the Interconnection Customer is not subject to refund.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades after receipt of all required approvals from Governmental Authorities necessary to commence construction,

(1) the Interconnection Customer shall engineer, procure equipment, and construct the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Transmission Owner, or as required by any Governmental Authority;

(2) Interconnection Customer's engineering, procurement and construction of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law or Governmental Authority to which Transmission Owner would be subject in the engineering, procurement or construction of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Transmission Provider, at Transmission Provider's option, and Transmission Owner shall be entitled to review and approve the engineering design, equipment acceptance tests (including witnessing of acceptance tests), and the construction (including monitoring of construction) of the Transmission Owner's

Interconnection Facilities and Stand Alone Network Upgrades, and shall have the right to reject any design, procurement, construction or acceptance test of any equipment that does not meet the standards and specifications of Transmission Provider, Transmission Owner and any Governmental Authority;

(4) prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider and Transmission Owner;

(5) at any time during construction, Transmission Provider and Transmission Owner shall have unrestricted access to the construction site for the Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(6) at any time during construction, should any phase of the engineering, equipment procurement, or construction of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, the Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to meet the standards and specifications provided by Transmission Provider and Transmission Owner;

(7) the Interconnection Customer shall indemnify the Transmission Provider and Transmission Owner for claims arising from the Interconnection Customer's construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1, Indemnity;

(8) the Interconnection Customer shall transfer control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the Transmission Owner;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the Transmission Owner;

(10) Transmission Provider, at Transmission Provider's option, and Transmission Owner shall approve and accept for operation and maintenance the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2 only if the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades meet the standards and specifications of Transmission Provider, Transmission Owner and any Governmental Authority.

(11) Interconnection Customer shall deliver to Transmission Provider “as-built” drawings, information, and any other documents that are reasonably required by Transmission Provider to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Liquidated Damages. The actual damages to the Interconnection Customer, in the event the Transmission Owner’s Interconnection Facilities or Network Upgrades are not completed by the dates designated by the Interconnection Customer and accepted by the Transmission Provider and Transmission Owner pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Interconnection Customer’s fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by the Transmission Owner to the Interconnection Customer in the event that Transmission Owner does not complete any portion of the Transmission Owner’s Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of the Transmission Owner’s Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Owner has assumed responsibility to design, procure and construct.

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of the Transmission Owner’s Interconnection Facilities and Network Upgrades for which the Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by the Transmission Owner to the Interconnection Customer as just compensation for the damages caused to the Interconnection Customer, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this GIA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Owner’s failure to meet its schedule.

No liquidated damages shall be paid to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of the Transmission Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for the Generating Facility’s Trial Operation or to export power from the Generating Facility on the specified dates, unless the Interconnection Customer would have been able to commence use of the Transmission Owner’s Interconnection Facilities or Network Upgrades to take the delivery of power for Generating Facility’s Trial Operation or to export power from the Generating Facility, but for Transmission Owner’s delay; (2) the Transmission Owner’s failure to meet the specified dates is the result of the action or inaction of the Transmission Provider, the Interconnection Customer or any other earlier queued Interconnection Customer who has entered into an earlier GIA with the Transmission Provider and/or a Transmission Owner or with an Affected System Operator, or any cause beyond Transmission Owner’s reasonable control or reasonable ability to cure; (3) the Interconnection Customer has assumed responsibility for the design, procurement

and construction of the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades; (4) the delay is due to the inability of the Transmission Owner to obtain all required approvals from Governmental Authorities in a timely manner for the construction of any element of the Interconnection Facilities, Network Upgrades or Stand Alone Network Upgrades, or any other permit or authorization required, or any land rights or other private authorizations that may be required, and Transmission Owner has exercised Reasonable Efforts in procuring such approvals, permits, rights or authorizations; or (5) the Parties have otherwise agreed.

5.4 Power System Stabilizers. The Interconnection Customer shall procure, install, maintain and operate power system stabilizers in accordance with the guidelines and procedures established by the Applicable Reliability Council. Transmission Provider and Transmission Owner reserve the right to reasonably establish minimum acceptable settings for any installed power system stabilizers, subject to the design and operating limitations of the Generating Facility. If the Generating Facility's power system stabilizers are removed from service or are not capable of automatic operation, the Interconnection Customer shall immediately notify the Transmission Provider's system operator, or its designated representative. The requirements of this paragraph shall not apply to induction generators.

5.5 Equipment Procurement. If responsibility for construction of the Transmission Owner's Interconnection Facilities, Network Upgrades and/or Distribution Upgrades is to be borne by the Transmission Owner, then the Transmission Owner shall commence design of the Transmission Owner's Interconnection Facilities, Network Upgrades and/or Distribution Upgrades, and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless the Parties otherwise agree in writing:

5.5.1 The Transmission Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2 The Transmission Provider has received written authorization from the Interconnection Customer by the date specified in Appendix B, Milestones, for Transmission Owner to proceed with design and procurement; and

5.5.3 The Interconnection Customer has provided security to the Transmission Owner, with notice provided to Transmission Provider, in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement. The Transmission Owner shall commence construction of the Transmission Owner's Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, Distribution Upgrades, and Generator Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

5.6.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

- 5.6.2** Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of the Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades;
- 5.6.3** The Transmission Provider has received written authorization from the Interconnection Customer by the date specified in Appendix B, Milestones, for Transmission Owner to proceed with its construction; and
- 5.6.4** The Interconnection Customer has provided security to the Transmission Owner, with notice to Transmission Provider, in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.
- 5.7 Work Progress.** Transmission Owner and Interconnection Customer will keep each other and Transmission Provider advised periodically as to the progress of their respective design, procurement and construction efforts. Either Transmission Owner or Interconnection Customer may, at any time, request a progress report from the other, with a copy to be provided to the other Parties. If, at any time, the Interconnection Customer determines that the completion of the Transmission Owner's Interconnection Facilities, Network Upgrades, or Transmission Owner's System Protection Facilities will not be required until after the specified In-Service Date, the Interconnection Customer will provide written notice to the Transmission Provider and Transmission Owner of such later date upon which the completion of the Transmission Owner's Interconnection Facilities, Network Upgrades or Transmission Owner's System Protection Facilities will be required. The Transmission Owner may delay the In-Service Date of its facilities accordingly.
- 5.8 Information Exchange.** As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System or Distribution System, as applicable, and shall work diligently and in good faith to make any necessary design changes.
- 5.9 Limited Operation.** If any of the Transmission Owner's Interconnection Facilities, Network Upgrades, or Transmission Owner's System Protection Facilities, Distribution Upgrades or Generator Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Facility, Transmission Provider shall, upon the request and at the expense of Interconnection Customer, perform Operating Studies on a timely basis to determine the extent to which the Generating Facility and the Interconnection Customer's Interconnection Facilities may operate prior to the completion of the Transmission Owner's Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, Distribution Upgrades or Generator Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this GIA. Transmission Provider and Transmission Owner shall permit Interconnection Customer to operate the Generating Facility and the Interconnection Customer's Interconnection Facilities in accordance with the results of

such studies; provided, however, such studies reveal that such operation may occur without detriment to the Transmission System as then configured and in accordance with the safety requirements of Transmission Owner and any Governmental Authority.

5.10 Interconnection Customer's Interconnection Facilities ("ICIF"). Interconnection Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A.

5.10.1 Interconnection Customer's Interconnection Facility Specifications.

Interconnection Customer shall submit initial design and specifications for the ICIF, including Interconnection Customer's System Protection Facilities, to Transmission Provider and Transmission Owner at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final design and specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Transmission Provider at Transmission Provider's option, and Transmission Owner shall review such specifications to ensure that the ICIF are compatible with their respective technical specifications, operational control, and safety requirements and comment on such design and specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Transmission Provider's and Transmission Owner's Review. Transmission Provider's and Transmission Owner's review of Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Provider and Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control and safety requirements of Transmission Provider and Transmission Owner.

5.10.3 ICIF Construction. The ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Interconnection Customer shall deliver to the Transmission Provider and Transmission Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the Generating Facility and the ICIF, plan and elevation drawings showing the layout of the ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Interconnection Customer's step-up transformers, the facilities connecting the Generating Facility to the step-up transformers and the ICIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Generating Facility. The Interconnection Customer shall provide

Transmission Provider and Transmission Owner with Interconnection Customer's specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

- 5.11 Transmission Owner's Interconnection Facilities Construction.** The Transmission Owner's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Transmission Owner shall deliver to the Transmission Provider and Interconnection Customer the following "as-built" drawings, information and documents for the Transmission Owner's Interconnection Facilities specified in Appendix C to this GIA.

Such drawings, information and documents shall be deemed Confidential Information.

Upon completion, the Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall be under the control of the Transmission Provider or its designated representative.

- 5.12 Access Rights.** Upon reasonable notice by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish *at no cost* to the other Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Generating Facility with the Transmission System; (ii) operate and maintain the Generating Facility, the Interconnection Facilities and the Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this GIA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

- 5.13 Lands of Other Property Owners.** If any part of the Transmission Owner's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, the Transmission Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the Transmission Owner's

Interconnection Facilities, Network Upgrades and/or Distribution Upgrades upon such property.

5.14 Permits. Transmission Provider or Transmission Owner and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Transmission Owner shall provide permitting assistance to the Interconnection Customer comparable to that provided to the Transmission Owner's own, or an Affiliate's generation, to the extent that Transmission Owner or its Affiliate owns generation.

5.15 Early Construction of Base Case Facilities. (Includes facilities required for all queued projects with Interconnection Agreements). Interconnection Customer may request Transmission Owner to construct, and Transmission Owner shall construct, using Reasonable Efforts to accommodate Interconnection Customer's In-Service Date, all or any portion of any Network Upgrades, Transmission Owner's System Protection Facilities or Distribution Upgrades required for Interconnection Customer to be interconnected to the Transmission or Distribution System, as applicable, which are included in the Base Case of the Interconnection Facilities Study for the Interconnection Customer, and which also are required to be constructed for another Interconnection Customer with a prior GIA, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date. Any such Network Upgrades, System Protection Facilities or Distribution Upgrades are included in the facilities to be constructed and as set forth in Appendix A to this GIA to the extent they are reasonably known.

5.16 Suspension.

5.16.1 Interconnection Customer's Right to Suspend for Force Majeure Event; Obligations. Provided that such suspension is permissible under the authorizations, permits or approvals granted for the construction of such Interconnection Facilities, Network Upgrades or Stand Alone Network Upgrades, Interconnection Customer will not suspend unless a Force Majeure event occurs.

Interconnection Customer must provide written notice of its request for suspension to Transmission Provider and Transmission Owner, and provide a description of the Force Majeure event that is acceptable to the Transmission Provider. Suspension will only apply to the Interconnection Customer milestones and Interconnection Facilities described in the appendices of this GIA. Prior to suspension, Interconnection Customer must also provide security acceptable to the Transmission Owner, equivalent to the higher of \$5 million or the total cost of all Network Upgrades, Transmission Owner's System Protection Facilities, and Distribution Upgrades listed in Appendix A of this GIA. Network Upgrades and Transmission Owner's Interconnection Facilities will be constructed on the schedule described in the appendices of this GIA unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Network Upgrades

are not needed by any other project; or (3) Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3) security shall be released upon the determination that the Network Upgrades will no longer be constructed.

If suspension occurs, the Transmission or Distribution System, as applicable, shall be left in a safe and reliable condition in accordance with Good Utility Practice and the Transmission Provider's and Transmission Owner's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider and Transmission Owner (i) have incurred pursuant to this GIA prior to the suspension and (ii) incur in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission or Distribution System, as applicable, during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider and Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider and Transmission Owner shall obtain Interconnection Customer's authorization to do so.

Transmission Provider and Transmission Owner shall each invoice Interconnection Customer for such costs pursuant to Article 12 and shall use Reasonable Efforts to minimize its costs. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16, and has not requested Transmission Owner to recommence the work required under this GIA on or before the expiration of three (3) years following commencement of such suspension, this GIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

5.16.2 Effect of Missed Interconnection Customer Milestones. If Interconnection Customer fails to provide notice of suspension pursuant to Article 5.16, and Interconnection Customer fails to fulfill or complete any Interconnection Customer Milestone provided in Appendix B ("Milestone"), this constitutes a Breach under this GIA. Depending upon the consequences of the Breach and effectiveness of the cure pursuant to Article 17, the Transmission Owners' Milestones may be revised, following consultation with the Interconnection Customer, consistent with Reasonable Efforts, and in consideration of all relevant circumstances. Parties shall employ Reasonable Efforts to maintain their remaining respective Milestones.

5.16.3 Effect of Suspension; Parties Obligations. In the event that Interconnection Customer suspends work pursuant to this Article 5.16, no construction duration, timelines and schedules set forth in Appendix B shall be suspended during the period of suspension unless ordered by a Governmental Authority, with such

order being the Force Majeure event causing the suspension. Should Interconnection Customer request that work be recommenced, Transmission Owner shall be obligated to proceed with Reasonable Efforts and in consideration of all relevant circumstances including regional outage schedules, construction availability and material procurement in performing the work as described in Appendix A and Appendix B. Transmission Owner will provide Interconnection Customer with a revised schedule for the design, procurement, construction, installation and testing of the Transmission Owner's Interconnection Facilities and Network Upgrades. Upon any suspension by Interconnection Customer pursuant to Article 5.16, Interconnection Customer shall be responsible for only those costs specified in this Article 5.16.

5.17 Taxes.

5.17.1 Interconnection Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Interconnection Customer to Transmission Owner for the installation of the Transmission Owner's Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, Distribution Upgrades and Generator Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws. To the extent that Transmission Owner is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: Transmission Owner represents, and the Parties acknowledge, that Transmission Owner is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Interconnection Customer to Transmission Owner for Network Upgrades is to be treated as an up front payment in accordance with Rev Proc 2005-35. It is anticipated by the parties that any amounts paid by Interconnection Customer to Transmission Owner for Network Upgrades will be reimbursed to Interconnection Customer in accordance with the terms of this GIA, provided Interconnection Customer fulfills its obligations under this GIA.

5.17.2 Representations and Covenants. In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer represents and covenants that (i) ownership of the electricity generated at the Generating Facility will pass to another party prior to the transmission of the electricity on the Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to the Transmission Owner for the Transmission Owner's Interconnection Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of the Transmission Owner's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de

minimis amount of electricity in the direction of the Generating Facility. For this purpose, “de minimis amount” means no more than 5 percent of the total power flows in both directions, calculated in accordance with the “5 percent test” set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Transmission Owner’s request, Interconnection Customer shall provide Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above, with a copy to Transmission Provider. Transmission Owner represents and covenants that the cost of the Transmission Owner’s Interconnection Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Upon Transmission Owner. Notwithstanding Article 5.17.1 and to the extent permitted by law, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any tax liability imposed against Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Transmission Owner under this GIA for Interconnection Facilities, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Owner.

Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this GIA unless (i) Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Owner to report payments or property as income subject to taxation; provided, however, that Transmission Owner may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences or any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten-year testing period and the applicable statute of limitation, as it may be extended by the Transmission Owner upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount. Interconnection Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that Interconnection Customer will pay Transmission Owner, in addition to the amount paid for the Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, and/or Distribution Upgrades, an amount equal to (1) the current taxes imposed on Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Transmission Owner under this GIA (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit the Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (i) Current Taxes shall be computed based on Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner's current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$. Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Interconnection Customer's request and expense, Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Interconnection Customer to Transmission Owner under this GIA are subject to federal income taxation. Interconnection Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Interconnection Customer's knowledge. Transmission Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner shall keep Interconnection Customer fully informed of the status of such request for a private letter ruling and shall execute either a

privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Interconnection Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Transmission Owner shall allow Interconnection Customer to attend all meetings with IRS officials about the request and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

- 5.17.6 Subsequent Taxable Events.** If, within 10 years from the date on which the relevant Transmission Owner's Interconnection Facilities are placed in service, (i) Interconnection Customer breaches the covenant contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this GIA terminates and Transmission Owner retains ownership of the Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, and/or Distribution Upgrades, the Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Transmission Owner, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.
- 5.17.7 Contests.** In the event any Governmental Authority determines that Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Transmission Owner shall notify Interconnection Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Interconnection Customer and at Interconnection Customer's sole expense, Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Owner shall file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Transmission Owner shall keep Interconnection Customer informed, shall consider in good faith suggestions from Interconnection Customer about the conduct of the contest, and shall reasonably permit Interconnection Customer or an Interconnection Customer representative to attend contest proceedings.

Interconnection Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Owner, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the

settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Interconnection Customer's consent or such written advice will relieve Interconnection Customer from any obligation to indemnify Transmission Owner for the tax at issue in the contest.

5.17.8 Refund. In the event that (a) a private letter ruling is issued to Transmission Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this GIA is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Transmission Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Transmission Owner under the terms of this GIA is not taxable to Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Transmission Owner are not subject to federal income tax, or (d) if Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Interconnection Customer to Transmission Owner pursuant to this GIA, Transmission Owner shall promptly refund to Interconnection Customer the following:

(i) any payment made by Interconnection Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,

(ii) interest on any amounts paid by Interconnection Customer to Transmission Owner for such taxes which Transmission Owner did not submit to the taxing authority, calculated in accordance with the methodology set forth in 18 C.F.R. Section 35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Transmission Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Transmission Owner, any refund or credit Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to the Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Transmission

Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to the Transmission Owner's Interconnection Facilities.

The intent of this provision is to leave both parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities and Network Upgrades hereunder, in the same position they would have been in had no such tax payments been made.

- 5.17.9 Taxes Other Than Income Taxes.** Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Owner for which Interconnection Customer may be required to reimburse Transmission Owner under the terms of this GIA. Interconnection Customer shall pay to Transmission Owner on a periodic basis, as invoiced by Transmission Owner, Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Owner.
- 5.18 Tax Status.** Each Party shall cooperate with the other Parties to maintain each Party's tax status. Nothing in this GIA is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.
- 5.19 Modification.**
- 5.19.1 General.** Either Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party's facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties at least ninety

(90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission Provider shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission or Distribution System as applicable, Transmission Owner's Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, and/or Distribution Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof which shall be the responsibility of the Interconnection Customer.

5.19.2 Standards. Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this GIA and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned the costs of any additions, modifications, or replacements that Transmission Owner makes to the Transmission Owner's Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities, Distribution Upgrades, or the Transmission or Distribution System, as applicable, to facilitate the interconnection of a third party to the Transmission Owner's Interconnection Facilities or the Transmission or Distribution System, as applicable, or to provide transmission service to a third party under the Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, the Transmission Owner shall test the Transmission Owner's Interconnection Facilities, Network Upgrades, Transmission Owner's System Protection Facilities and Distribution Upgrades, and Interconnection Customer shall test each electric production device at the Generating Facility, Interconnection Customer's System Protection Facilities and the Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Transmission Owner and Interconnection Customer shall make any modifications to their respective facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and

modifications. Interconnection Customer shall generate test energy at the Generating Facility only if it has arranged for the delivery of such test energy.

- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Generating Facility with the Transmission or Distribution System, as applicable, in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the Interconnection Facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.
- 6.3 Right to Observe Testing.** Each Party shall notify the other Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties shall each have the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Each Party shall have the right, but shall have no obligation to: (i) observe Transmission Owner's and Interconnection Customer's tests and/or inspection of any of their respective System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the System Protection Facilities and other protective equipment; and (iii) review the maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this GIA.

ARTICLE 7. METERING

- 7.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Unless otherwise agreed by the Parties, Transmission Owner, at its election, or otherwise the Interconnection Customer, shall install Metering Equipment (the "Metering Party") at the Point of Interconnection prior to any operation of the Generating Facility and Transmission Owner, at its election, or otherwise the Interconnection Customer shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at the Metering Party's option, compensated to, the Point of Interconnection. The Metering Party shall provide metering quantities, in analog and/or digital form, to the other Parties upon request. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

- 7.2 Check Meters.** Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check the Metering Equipment owned by the Metering Party. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this GIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Provider, Transmission Owner or their designees. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** The Metering Party shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.
- 7.4 Testing of Metering Equipment.** The Metering Party shall inspect and test Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by a Party, the Metering Party shall, at the requesting Party's expense, inspect or test Metering Equipment more frequently than every two (2) years. The Metering Party shall give reasonable notice to the other Parties of the time when any inspection or test shall take place, and the other Parties may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to the Metering Party's failure to maintain, then the Metering Party shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent (2%) from the measurement made by the standard meter used in the test, the Metering Party shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Interconnection Customer's check meters, if installed. If no such check meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the previous test of the Metering Equipment.
- 7.5 Metering Data.** At Interconnection Customer's expense, the metered data shall be telemetered to one or more locations designated by Transmission Provider and Transmission Owner and one or more locations designated by Interconnection Customer. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Generating Facility to the Point of Interconnection.

ARTICLE 8. COMMUNICATIONS

- 8.1 Interconnection Customer Obligations.** Interconnection Customer shall maintain satisfactory operating communications with Transmission Provider's Transmission System dispatcher or representative designated by Transmission Provider.

Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Interconnection Customer shall also provide the dedicated data circuit(s) necessary to provide Interconnection Customer data to Transmission Provider as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Generating Facility to the location(s) specified by Transmission Provider. Any required maintenance of such communications equipment shall be performed by and at the cost of Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

- 8.2 Remote Terminal Unit.** Prior to the Initial Synchronization Date of the Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to both Parties, shall be installed by Interconnection Customer, or by Transmission Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Owner and Transmission Provider through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Transmission Owner and Transmission Provider. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Provider and Transmission Owner.

Each Party will promptly advise the other Parties if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

- 8.3 No Annexation.** Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

ARTICLE 9. OPERATIONS

- 9.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to any Party all information that may reasonably be required by that Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards.
- 9.2 Local Balancing Authority Notification.** At least three months before Initial Synchronization Date, the Interconnection Customer shall notify the Transmission Provider and Transmission Owner in writing of the Local Balancing Authority in which the Generating Facility will be located. If the Interconnection Customer elects to locate

the Generating Facility through dynamic metering/scheduling in a Local Balancing Authority other than the Local Balancing Authority in which the Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8 of this GIA, and remote Local Balancing Authority generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Generating Facility in the other Local Balancing Authority.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider shall cause the Transmission System and the Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this GIA. Transmission Provider, or its designee, may provide operating instructions to Interconnection Customer consistent with this GIA and Transmission Provider's Tariff and, if applicable, Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider will consider changes to its operating protocols and procedures proposed by Interconnection Customer.

9.4 Interconnection Customer Obligations. Interconnection Customer shall at its own expense operate, maintain and control the Generating Facility and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA. The Generating Facility must be operated in accordance with the operating limits, if any, in the Interconnection Facilities Study and specified in Appendix C of this GIA. Interconnection Customer shall operate the Generating Facility and the Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Transmission Provider or its designated Local Balancing Authority Operator of which the Generating Facility is part, as such requirements are set forth in Appendix C, Interconnection Details, of this GIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that a Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this GIA.

9.5 Start-Up and Synchronization. Consistent with the Parties' mutually acceptable procedures, the Interconnection Customer is responsible for the proper synchronization of the Generating Facility to the Transmission or Distribution System, as applicable.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the Generating Facility to be capable of maintaining a composite power delivery at continuous rated power output at the Point of Interconnection at all power factors over 0.95 leading to 0.95 lagging, unless Transmission Provider has established different requirements that apply to all generators in the Local Balancing Authority on a comparable basis. The applicable Local Balancing Authority power factor requirements are listed on the Transmission Provider's website at

<http://www.midwestmarket.org/page/Generator+Interconnection>

and may be referenced in the Appendices to this GIA. The Generating Facility shall be capable of continuous dynamic operation throughout the power factor design range as measured at the Point of Interconnection. Such operation shall account for the net effect of all energy production devices on the Interconnection Customer's side of the Point of Interconnection. Unless demonstrated by study as indicated in Appendix C, the requirements of this Article 9.6.1 shall not apply to wind generators.

9.6.2 Voltage Schedules. Once the Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider shall require Interconnection Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria), to maintain the output voltage or power factor at the Point of Interconnection as specified by the Transmission Provider. Transmission Provider's voltage schedules shall treat all sources of reactive power in the Local Balancing Authority in an equitable and not unduly discriminatory manner. Transmission Provider shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules at least one (1) day in advance, and may make changes to such schedules as necessary to maintain the reliability of the Transmission or Distribution System as applicable. Interconnection Customer shall operate the Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). If Interconnection Customer is unable to maintain the specified voltage or power factor, it shall promptly notify Transmission Provider's system operator, or its designated representative.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission or Distribution System as applicable and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) and voltage regulators are capable of operation, Interconnection Customer shall operate the Generating Facility with its speed governors and voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Interconnection Customer shall immediately notify Transmission Provider's system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Interconnection Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission or Distribution System, as applicable, or trip any generating unit comprising the Generating Facility for

an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the Local Balancing Authority on a comparable basis.

9.6.3 Payment for Reactive Power. Payments for reactive power shall be pursuant to any tariff or rate schedule filed by the Transmission Provider and approved by the FERC.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Interconnection Customer and Transmission Owner may each in accordance with Good Utility Practice in coordination with the other Party and Transmission Provider remove from service any of its respective Interconnection Facilities, System Protection Facilities, Network Upgrades, System Protection Facilities or Distribution Upgrades that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to notify one another and schedule such removal on a date and time mutually acceptable to the Parties. In all circumstances, any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Parties of such removal.

9.7.1.2 Outage Schedules. The Transmission Provider shall post scheduled outages of transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider and Transmission Owner for a minimum of a rolling twenty-four month period in accordance with the Transmission Provider's procedures. Interconnection Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability.

Transmission Provider shall compensate, pursuant to applicable Transmission Provider tariff or rate schedule, Interconnection Customer for any additional direct costs that the Interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost the Interconnection Customer would have incurred absent the Transmission Provider's request to reschedule maintenance.

Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, the Interconnection Customer had modified its schedule of maintenance activities.

Costs shall be determined by negotiation between the Transmission Provider and Interconnection Customer prior to implementation of the voluntary change in outage schedules, or if such request is made by or on behalf of a Transmission Customer requesting firm service, costs and recovery of costs shall be determined through a bilateral agreement between the Transmission Customer and the Interconnection Customer. Voluntary changes to outage schedules under this Article 9.7.1.2 are separate from actions and compensation required under Article 13 and for which costs are recovered in accordance with Transmission Provider's applicable tariff or rate schedule.

9.7.1.3 Outage Restoration. If an outage on either the Interconnection Customer's or Transmission Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities or Distribution Upgrades adversely affects a Party's operations or facilities, the Party that owns or controls the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns or controls the facility that is out of service shall provide the other Parties, to the extent such information is known, information on the nature of the Emergency Condition, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice to the other Parties explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, Transmission Provider may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.7.2:

9.7.2.1 The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

9.7.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the Transmission or Distribution System, as applicable;

- 9.7.2.3** When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider shall notify Interconnection Customer by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;
- 9.7.2.4** Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notice, Transmission Provider shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider shall coordinate with the Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to the Interconnection Customer, Transmission Owner and the Transmission Provider;
- 9.7.2.5** The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Generating Facility, Interconnection Facilities, and the Transmission or Distribution System, as applicable to their normal operating state, consistent with system conditions and Good Utility Practice.

9.7.3 Under-Frequency and Over Frequency Conditions. The Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Council in the event of an under-frequency system disturbance. Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the Transmission Provider in accordance with Good Utility Practice. The term "ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice.

9.7.4 System Protection and Other Control Requirements.

- 9.7.4.1 System Protection Facilities.** Interconnection Customer shall, at its expense, install, operate and maintain its System Protection Facilities as a part of the Generating Facility or the Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any Transmission Owner's System Protection Facilities that may be required on the Transmission Owner's

Interconnection Facilities or the Transmission Owner's transmission or distribution facilities as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

- 9.7.4.2 Interconnection Customer's and Transmission Owner's System Protection Facilities shall be designed and coordinated with Affected Systems in accordance with Good Utility Practice.
- 9.7.4.3 Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice.
- 9.7.4.4 Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Article 6. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of the Generating Facility.
- 9.7.4.5 Each Party will test, operate and maintain their respective System Protection Facilities in accordance with Good Utility Practice.
- 9.7.4.6 Prior to the In-Service Date, and again prior to the Commercial Operation Date, Interconnection Customer or Transmission Owner, or their respective agents, shall perform a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, Interconnection Customer or Transmission Owner shall each perform both calibration and functional trip tests of their respective System Protection Facilities. These tests do not require the tripping of any in-service generating unit. These tests do, however, require that all protective relays and lockout contacts be activated.

9.7.5 Requirements for Protection. In compliance with Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Generating Facility to any short circuit occurring on the Transmission or Distribution System, as applicable, not otherwise isolated by Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Transmission or Distribution System, as applicable. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission or Distribution System, as applicable, at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Interconnection Customer shall be responsible for protection of the Generating Facility and

Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission or Distribution System, as applicable, could adversely affect the Generating Facility.

9.7.6 Power Quality. Neither Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, and any applicable superseding electric industry standard, the applicable superseding electric industry standard shall control.

9.8 Switching and Tagging Rules. Prior to the Initial Synchronization Date, each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Parties' activities. Such switching and tagging rules shall be developed on a non-discriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.9 Use of Interconnection Facilities by Other Parties.

9.9.1 Purpose of Interconnection Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Generating Facility to the Transmission or Distribution System, as applicable, and shall be used for no other purpose.

9.9.2 Other Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld or delayed, to allow one or more parties to use the Transmission Owner's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all non-party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any non-party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all non-party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or

allocation cannot be resolved through such negotiations, it shall be submitted to Dispute Resolution pursuant to Section 12 of the Tariff.

- 9.10 Disturbance Analysis Data Exchange.** The Parties will cooperate with one another in the analysis of disturbances to either the Generating Facility or the Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

ARTICLE 10. MAINTENANCE

- 10.1 Transmission Owner Obligations.** Transmission Owner shall maintain the Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA and all Applicable Laws and Regulations.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA and all Applicable Laws and Regulations.
- 10.3 Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.
- 10.4 Secondary Systems.** Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact another Party. Each Party shall provide advance notice to the other Parties before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.
- 10.5 Operating and Maintenance Expenses.** Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a non-party and such non-party pays for such expenses, Interconnection Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Transmission Owner's Interconnection Facilities to the extent required by the Transmission Owner on a comparable basis.

ARTICLE 11. PERFORMANCE OBLIGATION

- 11.1 Interconnection Customer's Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control the Interconnection Customer's Interconnection Facilities described in Appendix A at its sole expense.
- 11.2 Transmission Owner's Interconnection Facilities.** Transmission Owner shall design, procure, construct, install, own and/or control the Transmission Owner's Interconnection Facilities described in Appendix A at the sole expense of the Interconnection Customer.
- 11.3 Network Upgrades, System Protection Facilities and Distribution Upgrades.** Transmission Owner shall design, procure, construct, install, and own the Network Upgrades, Transmission Owner's System Protection Facilities and Distribution Upgrades described in Appendix A. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades and/or Generator Upgrades. Transmission Owner shall provide the Transmission Provider and Interconnection Customer with written notice pursuant to Article 15 if the Transmission Owner elects to fund the capital for the Network Upgrades and Transmission Owner's System Protection Facilities; otherwise, such facilities, if any, shall be solely funded by the Interconnection Customer.
- 11.3.1 Contingencies Affecting Network Upgrades, System Protection Facilities and Distribution Upgrades.** Network Upgrades, System Protection Facilities and Distribution Upgrades that are required to accommodate the Generating Facility may be modified because (1) a higher queued interconnection request withdrew or was deemed to have withdrawn, (2) the interconnection agreement associated with a higher queued interconnection request was terminated prior to the project's In-Service Date, (3) the Commercial Operation Date for a higher queued interconnection request is delayed such that facilities required to accommodate lower queued projects may be altered, (4) the queue position is reinstated for a higher-queued interconnection request whose queue position was subject to dispute resolution, (5) changes occur in Transmission Provider or Transmission Owner equipment design standards or reliability criteria giving rise to the need for restudy, (6) the facilities required to accommodate a higher queued interconnection request were modified constituting a Material Modification pursuant to Section 4.4 of the GIP, or (7) a GIA with an effective date prior to this GIA is terminated. The higher queued interconnection requests that could impact the Network Upgrades, System Protection Facilities and Distribution Upgrades required to accommodate the Generating Facility, and possible Modifications that may result from the above listed events affecting the higher queued interconnection requests, to the extent such modifications are reasonably known and can be determined, and estimates of the costs associated with such required Network Upgrades, System Protection Facilities and Distribution Upgrades, are provided in Appendix A.
- 11.3.2 Agreement to Restudy.** The Interconnection Customer agrees to enter into an Interconnection Study Agreement, if at any time before the Network Upgrades,

System Protection Facilities and/or Distribution Upgrades associated with higher queued interconnection requests with GIA in effect prior to this GIA are completed, the Transmission Provider determines restudy is required because one of the contingencies in Article 11.3.1 occurred, and provides notice to Interconnection Customer. Any restudy shall be performed, as applicable, in accordance with Sections 6.4, 7.6 and 8.5 of the GIP. The Parties agree to amend Appendix A to this GIA in accordance with Article 30.10 to reflect the results of any restudy required under this Article 11.3.2.

11.3.3 Agreement to Fund Shared Network Upgrades. The Interconnection Customer agrees to fund Shared Network Upgrades, as determined by Transmission Provider. Where applicable, payments to fund Shared Network Upgrade(s) that are made to the Transmission Provider by the Interconnection Customer will be disbursed by the Transmission Provider to the appropriate entities that funded the Shared Network Upgrades in accordance with Attachment X and Attachment FF of the Tariff. In the event that the Interconnection Customer fails to meet its obligation to fund Shared Network Upgrades, the Transmission Owner and Transmission Provider shall not be responsible for the Interconnection Customer's funding obligation.

11.4 Transmission Credits.

11.4.1 Repayment of Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to a cash repayment by the Transmission Owner(s) and the Affected System Owner(s) that own the Network Upgrades, of the amount paid respectively to Transmission Owner and Affected System Operator, if any, for the Network Upgrades, as provided under Attachment FF of this Tariff and including any tax gross-up or other tax-related payments associated with the repayable portion of the Network Upgrades, and not repaid to Interconnection Customer pursuant to Article 5.17.8 or otherwise, to be paid to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under the Tariff and Affected System's Tariff for transmission services with respect to the Generating Facility. Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19 (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 pursuant to this subparagraph. Interest shall not accrue during periods in which the Interconnection Customer has suspended construction pursuant to Article 11 or the Network Upgrades have been determined not to be needed pursuant to this Article 11.4.1. Interconnection Customer may assign such repayment rights to any person.

If the Generating Facility is designated a Network Resource under the Tariff, or if there are otherwise no incremental payments for Transmission Service resulting from the use of the Generating Facility by Transmission Customer,

and in the absence of another mutually agreeable payment schedule any repayments provided under Attachment FF shall be established equal to the applicable rate for Firm Point-To-Point Transmission Service for the pricing zone where the Network Load is located multiplied by the portion of the demonstrated output of the Generating Facility designated as a Network Resource by the Network Customer(s) or in the absence of such designation, equal to the monthly firm single system-wide rate defined under Schedule 7 multiplied by the portion of the demonstrated output of the Generating Facility under contract to Network Customer(s) and consistent with studies pursuant to Section 3.2.2.2 of the GIP.

Notwithstanding the foregoing, as applicable and consistent with the provisions of Attachment FF of this Tariff, Interconnection Customer, Transmission Provider, Transmission Owner, and Affected System Operator may adopt any alternative payment schedule that is mutually agreeable so long as Transmission Owner and Affected System Operator take one of the following actions no later than five (5) years from the Commercial Operation Date: (1) return to Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that Transmission Owner or Affected System Operator will continue to provide payments to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the Commercial Operation Date.

If the Generating Facility is installed in phases, the amount eligible for refund as each phase achieves Commercial Operation will be reduced by the proportional amount of generation capacity not yet installed. However, all facilities in Appendix A other than the Generating Facility shall be built without consideration for the phasing of the Generating Facility as though the entire Generating Facility will be placed in Commercial Operation for the full output or increased output of the Generating Facility constructed by the Interconnection Customer under this GIA.

If the Generating Facility fails to achieve Commercial Operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, Transmission Owner and Affected System Operator shall at that time reimburse Interconnection Customer for the remaining applicable amounts that may be refundable pursuant to Attachment FF of this Tariff that were advanced for the Network Upgrades on their respective systems as described above. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the Generating Facility, if different, is responsible for identifying the entity to which the reimbursement must be made.

- 11.4.2 Special Provisions for the Transmission Provider as an Affected System to be covered under Separate Agreements.** When the Transmission Owner's Transmission or Distribution System (including for this Article 11.4.2 independent distribution systems connected to the Transmission System) is an Affected System for an interconnection in another electric system, the Transmission Provider will coordinate the performance of Interconnection Studies with the other system. The Transmission Provider will determine if any Network Upgrades or Distribution Upgrades, which may be required on the Transmission System as a result of the interconnection, would not have been needed but for the interconnection. Unless the Transmission Owner provides, under the interconnection agreement between the Interconnection Customer and the other system, for the repayment of amounts advanced to the Transmission Provider or an impacted transmission-owning member(s) of the Transmission Provider for Network Upgrades, the Interconnection Customer, the Transmission Provider, and the impacted transmission-owning member(s) shall enter into an agreement that provides for such repayment by transmission owner(s) as directed by the Transmission Provider. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to the Affected System Operator as well as the payment of refunds by the Affected System Operator.
- 11.4.3** Notwithstanding any other provision of this GIA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer, shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursement or transmission credits for transmission service that is not associated with the Generating Facility.
- 11.5 Provision of Security.** Unless otherwise provided in Appendix B, at least thirty (30) Calendar Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of an initial element of the Transmission Owner's Interconnection Facilities, Transmission Owner's System Protection Facilities, Network Upgrades, Distribution Upgrades or Stand-Alone Network Upgrades, or at the request of Transmission Owner if regulatory approvals are required for the construction of such facilities, Interconnection Customer shall provide Transmission Owner, at Interconnection Customer's selection, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment shall be in an amount sufficient to cover the applicable costs and cost commitments required of the Party responsible for building the facilities pursuant to the construction schedule developed in Article 12.1 for designing, engineering, seeking regulatory approval from any Governmental Authority, constructing, procuring and installing the applicable portion of Transmission Owner's Interconnection Facilities,

Transmission Owner's System Protection Facilities, Network Upgrades, Distribution Upgrades or Stand-Alone Network Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Owner for these purposes.

In addition:

- 11.5.1** The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Owner, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.
 - 11.5.2** The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Owner and must specify a reasonable expiration date.
 - 11.5.3** The surety bond must be issued by an insurer reasonably acceptable to Transmission Owner and must specify a reasonable expiration date.
 - 11.5.4** If the Shared Network Upgrade is not in service, the Interconnection Customer will provide, as applicable, an Irrevocable Letter of Credit to fund any Shared Network Upgrade pursuant to Attachment FF of the Tariff. The Irrevocable Letter of Credit shall be in an amount sufficient to cover the Interconnection Customer's share of the applicable costs and cost commitments associated with the Shared Network Upgrades. The Transmission Provider may periodically adjust the Interconnection Customer's share of the applicable costs and cost commitment of Shared Network Upgrades and may require Interconnection Customer to adjust the amount of the Irrevocable Letter of Credit accordingly.
- 11.6 Interconnection Customer Compensation.** If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Article 13.4 of this GIA, Transmission Provider shall compensate Interconnection Customer in accordance with any tariff or rate schedule filed by the Transmission Provider and approved by the FERC.

ARTICLE 12. INVOICE

- 12.1 General.** Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due, if any, for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this GIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.
- 12.2 Final Invoice.** Within six months after completion of the construction of the Transmission Owner's Interconnection Facilities, Transmission Owner's System Protection Facilities, Distribution Upgrades and the Network Upgrades, Transmission

Owner shall provide an invoice of the final cost of the construction of the Transmission Owner's Interconnection Facilities, Transmission Owner's System Protection Facilities, Distribution Upgrades and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Owner shall refund, with interest (calculated in accordance with 18 C.F.R. Section 35.19a(a)(2)(iii)), to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

12.3 Payment. Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by a Party will not constitute a waiver of any rights or claims that Party may have under this GIA.

12.4 Disputes. In the event of a billing dispute among the Parties, Transmission Provider shall continue to provide Interconnection Service under this GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider or Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Transmission Provider may or, at Transmission Owner's request upon Interconnection Customer's failure to pay, Transmission Owner, shall provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accord with the methodology set forth in 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

13.1 Obligations. Each Party shall comply with the Emergency Condition procedures of the Transmission Provider, NERC, the Applicable Reliability Council, and Applicable Laws and Regulations.

13.2 Notice. Transmission Provider or Transmission Owner shall notify the other Parties promptly when it becomes aware of an Emergency Condition that affects the Transmission Owner's Interconnection Facilities or the Transmission or Distribution System, as applicable, that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or the Interconnection Customer's Interconnection Facilities.

Interconnection Customer shall notify Transmission Provider and Transmission Owner, which includes by definition if applicable, the operator of a Distribution System,

promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or the Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission or Distribution System, as applicable, or the Transmission Owner's Interconnection Facilities.

To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Interconnection Customer's or Transmission Provider's or Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.3 Immediate Action. Unless, in a Party's reasonable judgment, immediate action is required, the Party exercising such judgment shall notify and obtain the consent of the other Parties, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or the Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by the Transmission Provider or otherwise regarding the Transmission or Distribution System, as applicable.

13.4 Transmission Provider and Transmission Owner Authority.

13.4.1 General. Transmission Provider or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or the Transmission Owner's Interconnection Facilities it deems necessary during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Transmission System or the Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider or Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or the Interconnection Customer's Interconnection Facilities. Transmission Provider or Transmission Owner may, on the basis of technical considerations, require the Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Generating Facility; implementing a reduction or disconnection pursuant to Article 13.4.2; directing the Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and the Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's or Transmission Owner's operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

- 13.4.2 Reduction and Disconnection.** Transmission Provider or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or the Interconnection Customer's Interconnection Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of the Transmission Provider pursuant to the Tariff. When the Transmission Provider can schedule the reduction or disconnection in advance, Transmission Provider shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider shall coordinate with the Interconnection Customer and Transmission Owner using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to the Interconnection Customer, Transmission Owner and the Transmission Provider. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.
- 13.5 Interconnection Customer Authority.** Consistent with Good Utility Practice and this GIA and the GIP, the Interconnection Customer may take whatever actions or inactions with regard to the Generating Facility or the Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Generating Facility or the Interconnection Customer's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Transmission System and the Transmission Owner's Interconnection Facilities. Transmission Provider and Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.
- 13.6 Limited Liability.** Except as otherwise provided in Article 11.6 of this GIA, no Party shall be liable to the other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.
- 13.7 Audit.** In accordance with Article 25.3, any Party may audit the performance of another Party when that Party declared an Emergency Condition.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

- 14.1 Regulatory Requirements.** Each Party's obligations under this GIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities,

and the expiration of any time period associated therewith. Each Party shall in good faith seek, and if necessary assist the other Party and use its Reasonable Efforts to obtain such other approvals. Nothing in this GIA shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act, the Public Utility Holding Company Act of 2005, as amended, or the Public Utility Regulatory Policies Act of 1978.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this GIA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

14.2.2 This GIA is subject to all Applicable Laws and Regulations.

14.2.3 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 15. NOTICES

15.1 General. Unless otherwise provided in this GIA, any notice, demand or request required or permitted to be given by any Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F, Addresses for Delivery of Notices and Billings.

Either Party may change the notice information in this GIA by giving five (5) Business Days written notice prior to the effective date of the change.

15.2 Billings and Payments. Billings and payments shall be sent to the addresses set out in Appendix F.

15.3 Alternative Forms of Notice. Any notice or request required or permitted to be given by any Party to the other and not required by this GIA to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.

15.4 Operations and Maintenance Notice. Each Party shall notify the other Parties in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

ARTICLE 16. FORCE MAJEURE

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 A Party shall not be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4 and 5), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone, facsimile or email notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise Reasonable Efforts to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 Default

17.1.1 **General.** No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this GIA or the result of an act or omission of another Party. Upon a Breach, the non-Breaching Party or Parties shall give written notice of such Breach to the Breaching Party with a copy to the other Party if one Party gives notice of such Breach. Except as provided in Article 17.1.2, the Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 **Right to Terminate.** If a Breach is not cured as provided in this Article, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Party or Parties shall have the right to terminate this GIA by written notice to the Breaching Party at any time until cure occurs, with a copy

to the other Party if one Party gives notice of such right to terminate, and be relieved of any further obligation hereunder and, whether or not that Party(ies) terminates this GIA, to recover from the Breaching Party all amounts due hereunder, plus all other damages and remedies to which it is (they are) entitled at law or in equity. The provisions of this Article will survive termination of this GIA.

ARTICLE 18. LIMITATION OF LIABILITY, INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

- 18.1 Limitation of Liability.** A Party shall not be liable to another Party or to any third party or other person for any damages arising out of actions under this GIA, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of Interconnection Service, except as provided in this Tariff. The provisions set forth in the Tariff shall be additionally applicable to any Party acting in good faith to implement or comply with its obligations under this GIA, regardless of whether the obligation is preceded by a specific directive.
- 18.2 Indemnity.** To the extent permitted by law, an Indemnifying Party shall at all times indemnify, defend and hold the other Parties harmless from Loss.
- 18.2.1 Indemnified Party.** If an Indemnified Party is entitled to indemnification under this Article 18 as a result of a claim by a non-party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.2, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 18.2.2 Indemnifying Party.** If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 18, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.
- 18.2.3 Indemnity Procedures.** Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.2 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or

other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of interest between the Indemnified Party and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Party, which shall not be reasonably withheld, conditioned or delayed.

- 18.3 Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this GIA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided; however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.
- 18.4 Insurance.** Each Party shall, at their own expense, maintain in force throughout the period of this GIA, and until released by the other Parties, the following minimum insurance coverages, with insurers authorized to do business or an approved surplus lines carrier in the state where the Point of Interconnection is located:
- 18.4.1** Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.
 - 18.4.2** Commercial General Liability Insurance 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.

- 18.4.3** Comprehensive Automobile Liability Insurance, for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers licensed for travel on public roads, with a minimum combined single limit of One Million Dollars (\$1,000,000) each occurrence for bodily injury, including death, and property damage.
- 18.4.4** Excess Public Liability Insurance over and above the Employer's Liability, Commercial General Liability and Comprehensive 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.
- 18.4.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Parties, 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 GIA against the Other Party Groups and provide thirty (30) Calendar Days' advance written notice to the Other Party Groups prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.4.6** The Commercial General Liability Insurance, Comprehensive 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.
- 18.4.7** The Commercial General Liability Insurance, Comprehensive 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 GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.
- 18.4.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner,

limit or qualify the liabilities and obligations assumed by the Parties under this GIA.

- 18.4.9** As of the date set forth in Appendix B, Milestones, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, Interconnection Customer and Transmission Owner shall provide the other certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer. Upon request from Interconnection Customer or Transmission Owner, Transmission Provider shall provide within ten (10) days certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer.
- 18.4.10** Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.4.1 through 18.4.8, to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets minimum insurance requirements under Articles 18.4.1 through 18.4.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.4.1 through 18.4.9. In the event that a Party is permitted to self-insure pursuant to this article, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.4.9.
- 18.4.11** The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this GIA.

ARTICLE 19. ASSIGNMENT

- 19.1 Assignment.** This GIA may be assigned by any Party only with the written consent of the other Parties; provided that a Party may assign this GIA 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 GIA; and provided further that the Interconnection Customer shall have the right to assign this GIA, without the consent of either the Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will promptly notify the Transmission Provider 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 Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider and

Transmission Owner with proof that it meets the requirements of Article 11.5 and 18.4. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this GIA 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.

ARTICLE 20. SEVERABILITY

- 20.1 Severability.** If any provision in this GIA is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this GIA; provided that if the Interconnection Customer (or any non-party, but only if such non-party is not acting at the direction of either the Transmission Provider or Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

ARTICLE 21. COMPARABILITY

- 21.1 Comparability.** The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations including such laws, rules and regulations of Governmental Authorities establishing standards of conduct, as amended from time to time.

ARTICLE 22. CONFIDENTIALITY

- 22.1 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 a Party to another Party prior to the execution of this GIA.

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 Party receiving the information that the information is confidential. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 C.F.R. Section 388.113(c). Such confidentiality will be maintained in accordance with this Article 22.

If requested by the receiving Party, the disclosing Party shall provide in writing, the basis for asserting that the information referred to in this Article 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.

- 22.1.1 Term.** During the term of this GIA, and for a period of three (3) years after the expiration or termination of this GIA, except as otherwise provided in this Article 22 or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with Commission policy and regulations.
- 22.1.2 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 non-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 this GIA; or (6) is required, in accordance with Article 22.1.7 of this GIA, 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 this GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.
- 22.1.3 Release of Confidential Information.** No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-parties who may be or are considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this GIA, unless such person has first been advised of the confidentiality provisions of this Article 22 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 Article 22.
- 22.1.4 Rights.** Each Party retains all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information shall not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

- 22.1.5 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 another Party nor to enter into any further agreements or proceed with any other relationship or joint venture.
- 22.1.6 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 another Party under this GIA or its regulatory requirements.
- 22.1.7 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 disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this GIA. 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.
- 22.1.8 Termination of Agreement.** Upon termination of this GIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the requesting Party) or return to the requesting Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 22 shall survive such termination.
- 22.1.9 Remedies.** The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the Breaching 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 Article 22, but shall be in addition to all other remedies available

at law or in equity. The Parties further acknowledge and agree that 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 Article 22.

- 22.1.10 Disclosure to FERC, Its Staff or a State.** Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR § 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this GIA, 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 CFR § 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 to this GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to this GIA 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 CFR § 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.
- 22.1.11** Subject to the exception in Article 22.1.10, any information that a disclosing Party claims is competitively sensitive, commercial or financial information under this GIA (“Confidential Information”) shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the receiving 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 disclosing Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIA or as the Regional Transmission Organization or a Local Balancing Authority operator including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party’s Confidential Information under this subparagraph, or if any non-party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party who received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 23. ENVIRONMENTAL RELEASES

- 23.1** Each Party shall notify the other Parties, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect another Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Parties copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENTS

- 24.1 Information Acquisition.** Transmission Provider, Transmission Owner and the Interconnection Customer shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards.
- 24.2 Information Submission by Transmission Provider and Transmission Owner** The initial information submission by Transmission Provider to Interconnection Customer, with copy provided to Transmission Owner, shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission or Distribution System information, as applicable and available, necessary to allow the Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Parties. On a monthly basis, Transmission Owner shall provide Interconnection Customer a status report on the construction and installation of Transmission Owner's Interconnection Facilities, Transmission Owner's System Protection Facilities, Distribution Upgrades and Network Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.
- 24.3 Updated Information Submission by Interconnection Customer.** The updated information submission by the Interconnection Customer to Transmission Provider, with copy to Transmission Owner, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit to Transmission Provider and Transmission Owner a completed copy of the Generating Facility data requirements contained in Appendix 1 to the GIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility Study and Interconnection Facilities Study. Information in this submission shall be the most current Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no

compatible model, the Interconnection Customer will work with a consultant mutually agreed to by Transmission Provider and Interconnection Customer to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study Agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on the Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation. Prior to the Commercial Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all “as-built” Generating Facility information or “as-tested” performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Interconnection Customer shall conduct tests on the Generating Facility as required by Good Utility Practice, such as an open circuit “step voltage” test on the Generating Facility to verify proper operation of the Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent (5 %) change in Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses in Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to the Transmission Provider and Transmission Owner for each individual generating unit in a station.

Subsequent to the Operation Date, the Interconnection Customer shall provide Transmission Provider and Transmission Owner any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer, with copy to Transmission Provider, any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner substation that may affect the Interconnection Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

- 25.1 Information Access.** Each Party (the “disclosing Party”) shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Parties to: (i) verify the costs incurred by the disclosing Party for which another Party is responsible under this GIA; and (ii) carry out its obligations and responsibilities under this GIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this GIA.
- 25.2 Reporting of Non-Force Majeure Events.** A Party (the “notifying Party”) shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this GIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle any Party receiving such notification to allege a cause for anticipatory breach of this GIA.
- 25.3 Audit Rights.** Subject to the requirements of confidentiality under Article 22 of this GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Parties, to audit at its own expense the other Parties’ accounts and records pertaining to the Parties’ performance or the Parties’ satisfaction of obligations under this GIA. Such audit rights shall include audits of the other Parties’ costs, calculation of invoiced amounts, the Transmission Provider’s efforts to allocate responsibility for the provision of reactive support to the Transmission or Distribution System, as applicable, the Transmission Provider’s efforts to allocate responsibility for interruption or reduction of generation, and each Party’s actions in an Emergency Condition. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to each Party’s performance and satisfaction of obligations under this GIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.
- 25.4 Audit Rights Periods.**
- 25.4.1 Audit Rights Period for Construction-Related Accounts and Records.** Accounts and records related to the design, engineering, procurement, and construction of Transmission Owner’s Interconnection Facilities, Transmission Owner’s System Protection Facilities, Distribution Upgrades and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Owner’s issuance of a final invoice in accordance with Article 12.2.
- 25.4.2 Audit Rights Period for All Other Accounts and Records.** Accounts and records related to a Party’s performance or satisfaction of all obligations under

this GIA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

- 25.5 Audit Results.** If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the Party or from whom the overpayment or underpayment is owed together with those records from the audit which support such determination.

ARTICLE 26. SUBCONTRACTORS

- 26.1 General.** Nothing in this GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this GIA in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.
- 26.2 Responsibility of Principal.** The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this GIA. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the Transmission Provider or Transmission Owner be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under Article 5 of this GIA. Any applicable obligation imposed by this GIA upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.
- 26.3 No Limitation by Insurance.** The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

- 27.1 Submission.** In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this GIA or its performance, such Party (the "disputing Party") shall provide the other Parties 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 non-disputing Parties. 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 non-disputing Parties' receipt of the Notice of Dispute, such claim or dispute shall be submitted for resolution in accordance with the dispute resolution procedures of the Tariff.

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

28.1 General. Each Party makes the following representations, warranties and covenants:

- 28.1.1 Good Standing.** Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this GIA and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this GIA.
- 28.1.2 Authority.** Such Party has the right, power and authority to enter into this GIA, to become a Party hereto and to perform its obligations hereunder. This GIA is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).
- 28.1.3 No Conflict.** The execution, delivery and performance of this GIA does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.
- 28.1.4 Consent and Approval.** Such Party has sought or obtained, or, in accordance with this GIA will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this GIA, and it will provide to any Governmental Authority notice of any actions under this GIA that are required by Applicable Laws and Regulations.

ARTICLE 29. {RESERVED}

ARTICLE 30. MISCELLANEOUS

30.1 Binding Effect. This GIA 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.

- 30.1.1 Reversion.** If offered pursuant to an Agency Agreement under which this GIA is executed by the Transmission Provider as agent for the relevant Transmission Owner, in the event that the relevant Agency Agreement terminates, any HVDC Service offered by the Transmission Provider under this GIA shall revert to the relevant Transmission Owner and the Transmission Provider shall be released from all obligations and responsibilities under this GIA.
- 30.2 Conflicts.** In the event of a conflict between the body of this GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this GIA shall prevail and be deemed the final intent of the Parties.
- 30.3 Rules of Interpretation.** This GIA, 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 GIA, 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 GIA), 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 of this GIA or such Appendix to this GIA, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this GIA as a whole and not to any particular Article 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".
- 30.4 Entire Agreement.** This GIA, 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 GIA. 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 GIA.
- 30.5 No Third Party Beneficiaries.** This GIA 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.

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

Any waiver at any time by any Party of its rights with respect to this GIA 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 GIA. Termination or Default of this GIA for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain Interconnection Service from the Transmission Provider. Any waiver of this GIA shall, if requested, be provided in writing.

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

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

30.9 Amendment. The Parties may by mutual agreement amend this GIA by a written instrument duly executed by all of the Parties.

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this GIA by a written instrument duly executed by all of the Parties. Such amendment shall become effective and a part of this GIA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights. Transmission Provider shall have the right to make a unilateral filing with FERC to modify this GIA 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 Transmission Owner and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this GIA 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 and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this GIA 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.

30.12 No Partnership. This GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among or 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, the other Parties.

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

Midwest Independent Transmission System Operator, Inc.



By: WILLIAM C. PHILLIPS

Name: William C. Phillips
~~Standards Compliance & Strategy~~

Title: Vice President, Standards, Compliance and Strategy

A

09-01-10

Great River Energy

By: _____

Name: _____

Title: _____

**AWA Goodhue LLC
Mesa Power LLC
8117 Preston Road, Suite 260
Dallas, Texas 75225**

By: _____

Name: Mark Ward

Title: Senior Vice President, Mesa Power

Project H062

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

Midwest Independent Transmission System Operator, Inc.

By: _____
Name: William C. Phillips
Title: Vice President, Standards, Compliance and Strategy

Great River Energy

By: *Jean Cassell Mayhew*
Name: *Jean Cassell Mayhew*
Title: *Manager, Transmission
Strategy & Business Planning*

**AWA Goodhue LLC
Mesa Power LLC
8117 Preston Road, Suite 260
Dallas, Texas 75225**

By: _____
Name: Mark Ward
Title: Senior Vice President, Mesa Power

Project H062

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

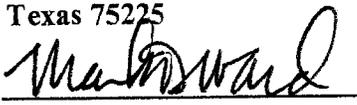
Midwest Independent Transmission System Operator, Inc.

By: _____
Name: William C. Phillips
Title: Vice President, Standards, Compliance and Strategy

Great River Energy

By: _____
Name: _____
Title: _____

**AWA Goodhue LLC
Mesa Power LLC
8117 Preston Road, Suite 260
Dallas, Texas 75225**

By: 
Name: Mark Ward
Title: Senior Vice President, Mesa Power

Project H062

APPENDICES TO GIA

- Appendix A** Interconnection Facilities, Network Upgrades, System Protection Facilities, Generator Upgrades and Distribution Upgrades
- Appendix B** Milestones
- Appendix C** Interconnection Details
- Appendix D** Security Arrangements Details
- Appendix E** Commercial Operation Date
- Appendix F** Addresses for Delivery of Notices and Billings
- Appendix G** Interconnection Requirements for a Wind Generating Plant

Appendix A
To GIA (MISO Project Number H062)

Interconnection Facilities, System Protection Facilities, Distribution Upgrades, Generator Upgrades and Network Upgrades

Preamble

Interconnection Service under this GIA is conditional until all studies/restudies **related to H062** are complete and the Network Upgrades, Stand Alone Network Upgrades, System Protection Upgrades, Shared Use Upgrades and Common Use Upgrades identified, if any, are placed in service. Interconnection Customer may have responsibility to share in the cost for one or more Common Use Upgrades that would not have been necessary but for the interconnection of Interconnection Customer's Generating Facility(ies) and other Definitive Planning Phase ("DPP") Cycle 1 Generating Facilities. Such Network Upgrades, Stand Alone Network Upgrades, System Protection Upgrades, Shared Use Upgrades and Common Use Upgrades may result from the restudy currently being conducted by Transmission Provider pursuant to the FERC's May 20, 2010 Order in Docket No. ER09-1581 (131 FERC 61,165 (2010)). A DPP Cycle 1 Interconnection Customer's obligations to simultaneously secure and fund Network Upgrades, Stand Alone Network Upgrades, System Protection Upgrades and Common Use Upgrades may be governed by separate, future Facility Construction Agreements, Multi-Party Facility Construction Agreement(s) and/or modifications to this GIA. Further, the project may bear cost responsibility for unidentified Shared Use Upgrades, if any, under this GIA.

1. Description of Generating Facility

Interconnection Customer shall install a Generating Facility in or near Goodhue County, Minnesota. The maximum net megawatt electrical output of the proposed Generating Facility will be 39 MW as measured at the Point of Interconnection. The Generating Facility will interconnect to the Transmission Owner's 69kV GO-WZ transmission line at existing structure #57.

The total conditional 39 MW ERIS will become a combined total of 38.9 MW of NRIS and ERIS where the NRIS cannot exceed 7.8 MW upon completion of all needed facilities, already identified or determined, when the projects are studied and/or restudied in queue sequence.

The Generating Facility shall consist of fourteen (14) GE 1.6 MW xle and eleven (11) GE 1.5 MW xle wind turbines. Each WTG shall connect to the 34.5kV radial feeders installed by the Interconnection Customer. The Interconnection Customer's step-up transformer for each turbine shall be rated at .69/34.5 kV and at least 1.5MVA.

Interconnection Customer shall install appropriate protection equipment per Appendix C, Interconnection Details to this GIA. Step-up 39 MVA Transformer will be included to increase voltage from 34.5 to 69kV The IC will install a breaker on the high side of its step-up transformer.

2. **Interconnection Facilities:**

Interconnection Customer shall own approximately 200 feet of a 69kV radial tap line from their collector substation to the interconnection point approximately 4 miles southwest of the Goodhue Co-op Electric Association's Goodhue Substation. Transmission Owner will construct the radial tap line between the Point of Interconnection (POI) and the Interconnection Customer's collector substation. Transmission Owner will provide the conductor and deadend hardware for the POI switch end while the Interconnection Customer will be responsible for providing the deadend hardware for the highside deadend at the collector substation. These Interconnection Facilities will be at the Interconnection Customer's cost.

(a) Point of Interconnection. The Transmission Owner Interconnection Facilities will include those facilities and equipment owned by the Transmission Owner from the Point of Interconnection to the Point of Change of Ownership. The Point of Interconnection will be where the Interconnection Customer's radial 69 kV line connects to the Transmission Owner's 3-way disconnect switch at Structure #57 which is located approximately midpoint on the southeast quarter section line of Goodhue County, Bell Creek Township, Sec 25, T111N, R16W. The Point of Change of Ownership will occur at the POI. Exhibit A2 provides a system map showing demarcation points and an overview of the connection.

(b) Interconnection Facilities to be constructed by Interconnection Customer.

The Interconnection Customer's Interconnection Facilities shall include equipment connecting the Generating Facility to the Point of Change of Ownership, which is located at the Transmission Owner's 3-way disconnect switch. Exhibit A1 shows Interconnection Facilities to be constructed by the Interconnection Customer.

The Interconnection Customer's Interconnection Facilities shall also include:

- 1) A 200 foot 69kV line connecting the Interconnection Customer substation to the POI
- 2) One new 34.5/69 kV step-up transformer complete with breaker, isolating disconnect switches, dead-end, bus, steel, insulators and foundations
- 3) Interconnection Customer will provide RTU/SCADA Generating Facility data and Interconnection Customer Interconnection Facilities data including but not limited to MW, MVAR, MWhr, MVARhr, volts, amps, breaker status, and station battery alarm to and Transmission Provider, and to the Local Balancing Authority (XCEL).
- 4) Interconnection Customer will install revenue metering, CTs and PTs compensated to the POI.

- 5) **Station Service** - Interconnection Customer is responsible for coordinating station service supply at the collector substation. The local service territory provider must be contacted to address normal and emergency back-up station power needs during project construction. Station Service power may be obtained per the Transmission Provider's Schedule 20.

(c) **Transmission Owner Interconnection Facilities to be constructed by the Transmission Owner.** None.

3. Network Upgrades:

A summary of the Network Upgrades to be constructed under this GIA on the Transmission Owner's Transmission System and under separate agreements are shown in Table A0.

Table A0 Estimated Cost of Interconnection Network Upgrades as of 7/23/10.

Upgrades required	Estimated Cost Allocation Percentage	Estimated Cost of Upgrade	Expected Allocated Cost to Customer	Covered under this GIA	To be covered under separate agreements (MPFCA/FCA)	Facilities required under separate agreements with non-MISO TOs	Transmission Owner of facility to be upgraded
POI - Direct interconnection (Excluding TO IFs) – New Network Upgrades at POI.	100.00%	\$0	\$0	Yes	No	No	TO
Common Use Upgrades on TO's system* - Install a new 69kV 3-way switch structure.	$\$82,024 \times 0.438 =$ \$35,927	\$82,024	\$35,927	No	Yes	No	TO

Common Use Upgrades on TO's system* - Install a new switch station (including line terminations) at proposed H074 Clay bank POI.	43.8%	\$1,230,717	\$539,054	No	Yes	No	TO
Common Use Upgrade* – Upgrade XCEL Lines 0711 & 0789 (Double Circuit), Line 0789 (Single Circuit) & Line 0787.	43.8%	\$2,785,510		No	Yes	No	XCEL
Common Use Upgrade* - Various Line upgrades on line between Zumbrota Substation and Spring Creek Substation.	43.8%	\$2,740,499		No	Yes	Yes	TO
Shared Network Upgrade Projects (Requirements are dependent upon Attachment FF Option selected by Transmission Owner under separate applicable agreements).						TBD	
Prior Gen NU or CUU as applicable requires payment if in service or irrevocable letter of credit or payment if not yet in service as applicable upon execution of the GIA.*			One time charge or annual chare as applicable	Yes	XYZ GIA/FCA /MPFCA	TBD	
Prior Gen NU or CUU as applicable requires payment if in service or irrevocable letter of credit or payment if not yet in service as applicable upon execution of the GIA.*			One time charge or annual chare as applicable	Yes	UVW GIA?FC A/MPFC A	TBD	
Estimated cost of known			\$0				

Network Upgrades under this GIA.							

***Upgrades in these classifications may be modified or added to at a later date.**

- (a) **Network Upgrades (excluding Stand Alone Network Upgrades) to be installed by Transmission Owner.** None at this time.
- (b) **Stand Alone Network Upgrades to be installed by the Transmission Owner under this GIA.** None at this time
- (c) **Network Upgrades and Common Use Upgrades (CUUs) required under separate future Agreements are shown in Table A0.** The CUUs in Table A0 are those Network Upgrades required by multiple Interconnection Customers for which the Interconnection Customer shares funding responsibility. **Interconnection Customer responsibilities for CUUs are shown in Table A0 but are subject to change later.**
 - i) Install a new 69kV 3-way switch structure and additional grading structure. This project consists of replacing existing structure #57 on the GO-WZ line with a 69kV 3-way switch structure.

Total Cost Estimate Accuracy: +/- 20%

Total Cost Estimate: \$82,024

- ii) Install a new switch station (including line terminations) at proposed H074 Claybank POI.

Total Cost Estimate Accuracy: +/- 20%

Total Cost Estimate: \$1,230,717

Item i) and Item ii) are required to be completed under a MPFCA prior to H062 commencing interconnection service; item iii) and item iv) are required at a future date to be determined when H074's ISD/COD is established.

- iii) Upgrade XCEL Lines 0711 & 0789 (Double Circuit), Line 0789 (Single Circuit) & Line 0787.

Total Cost Estimate Accuracy: +/- 20%

Total Cost Estimate: \$2,785,510

- iv) Various Line upgrades on Transmission Owner line between Zumbrota Substation and Spring Creek Substation.

Total Cost Estimate Accuracy: +/- 20%

Total Cost Estimate: \$2,740,499

Item i) and item ii) are required to be completed under a MPFCA prior to H062 commencing interconnection service; item iii) and item iv) are required at a future date to be determined when H074's In Service Date and/or Commercial Operation Date are established.

- (d) Shared Use Network Upgrades, Network Upgrades and Common Use Upgrades (CUUs) required under separate existing Agreements are shown in Table A0 for which the Interconnection Customer bears responsibility under this Agreement. To be determined later. Shared Network Upgrades are pursuant to Attachment FF funding/refunding options selected by TOs under the agreements that resulted in the construction of these upgrades. The % responsibility may change if other Interconnection Customer Generators are found to also bear a share of the cost of the upgrade or if the actual cost of the upgrade is revised.

The total estimated cost for all Network Upgrades and Interconnection Facilities to be constructed by the Transmission Owner under this agreement at this time are estimated to cost \$0.00. This estimate does not include the cost of CUUs and/or Network Upgrades which will be included under separate agreements nor does it include the Shared Use Network Upgrades which nevertheless are to be funded under this GIA but will be determined later.

See appendix B Milestone Tables for the schedule for the Network Upgrades and Interconnection Facilities to be constructed and funded under this GIA. The Milestone Table should also include the funding milestones for the known Shared Use Network Upgrades.

4. System Protection Facilities

- (a) **System Protection Facilities not listed in Section 2 or 3 to be constructed by Interconnection Customer.** None at this time.
- (b) **System Protection Facilities not listed in 2 or 3 to be constructed by the Transmission Owner.** None at this time.

5. Distribution Upgrades:

- (a) **Distribution Upgrades to be constructed by (Transmission/Distribution) Owner (select one for final version).** None at this time.

6. Contingency List [include higher queued Interconnection Requests with GIAs prior to this GIA and contingency Network Upgrades, System Protection Facilities or Distribution Upgrades of higher queued Interconnection Request with GIAs prior to this GIA pursuant to Article 11.3.1 that are subject to restudy in accordance with Article 11.3.2]: See Exhibit A10.

Prior to unconditional interconnection service under this GIA, all Network Upgrade and Common Use Upgrades and Shared Network Upgrades identified in Table A0 will be required to be completed and in-service either under this GIA and/or under separate agreements and/or separate Multi-Party Facilities Construction Agreements.

7. Affected System Upgrades List (include higher queued Interconnection Requests with GIAs prior to this GIA): None at this time.

8. The following exhibits are attached and are included as part of the GIA:

A1 - Interconnection Customer One-Line and Site Map

Exhibit A1-1 – Interconnection Customer One-Line Map

Exhibit A1-2 – Interconnection Customer Site Map

A2 - Transmission Owner One-Line

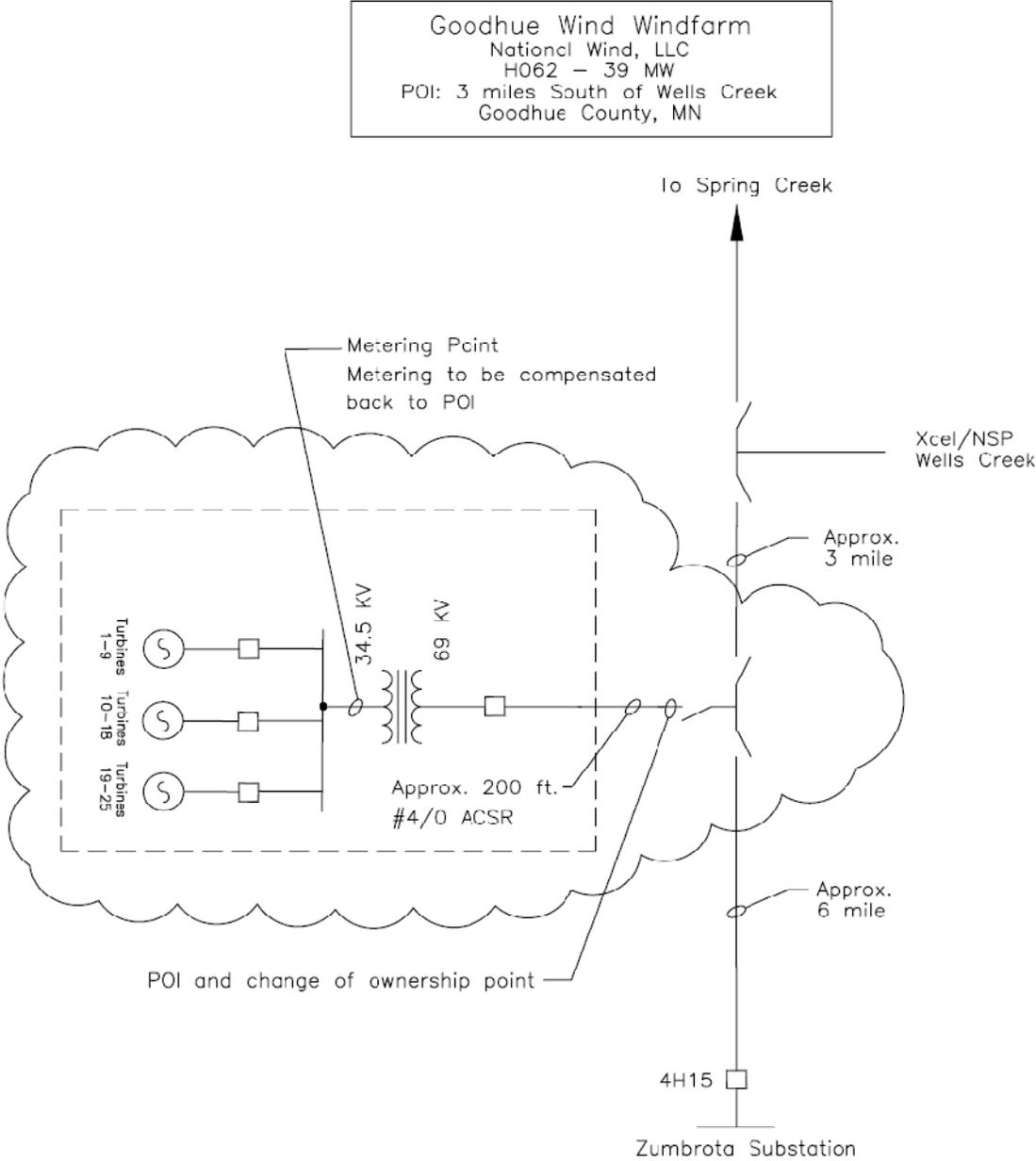
A3 - Site Plan

A4 - Transmission Line Plan and Profile

A5 - Facilities to be Constructed by Transmission Owner

- A6 - Detailed Cost of Facilities to be Constructed by Transmission Owner
 - A6-1 - Detailed Cost of Facilities to be Constructed by Transmission Owner (3-Way Tap Switch)
 - A6-2 - Detailed Material Cost of Facilities to be Constructed by Transmission Owner (3 Way Tap Switch)
 - A6-3 - Detailed Cost of Facilities to be Constructed by Transmission Owner (Claybank Substation Network Upgrades)
 - A6-4 - Detailed Material Cost of Facilities to be Constructed by Transmission Owner (Claybank Substation Network Upgrades)
 - A6-5 - Detailed Cost of Facilities to be Constructed by Transmission Owner (Claybank Line Termination Network Upgrades)
 - A6-6 - Detailed Material Cost of Facilities to be Constructed by Transmission Owner (Claybank Line Termination Network Upgrades)
- A7 - Transmission Owner Facilities to be Constructed by Interconnection Customer
- A8 - Detailed Cost of Facilities to be Constructed by Interconnection Customer
- A9 - Facilities subject to Transmission Owner Reimbursement pursuant to Attachment FF
- A10 - Contingent Facilities
- A11 - Interconnection Customer Milestones
- A12 - Construction and Coordination Schedules
- A13 - Permits, Licenses, Regulatory Approvals and Authorization
- A14 - Interconnection and Operating Guidelines

Exhibit A1 - Interconnection Customer One-Line and Site Map
Exhibit A1-1 - Interconnection Customer One-Line



- NOTES:
- * 69/34.5 kV Transformer is an autotransformer, 47MVA, no LTC.
X = .07 pu on 47 MVA base.
 - * 39 MW assumes using 11 turbines of rating 1.5MW and 14 turbines of rating 1.6MW

Exhibit A1-2 - Interconnection Customer Site Map

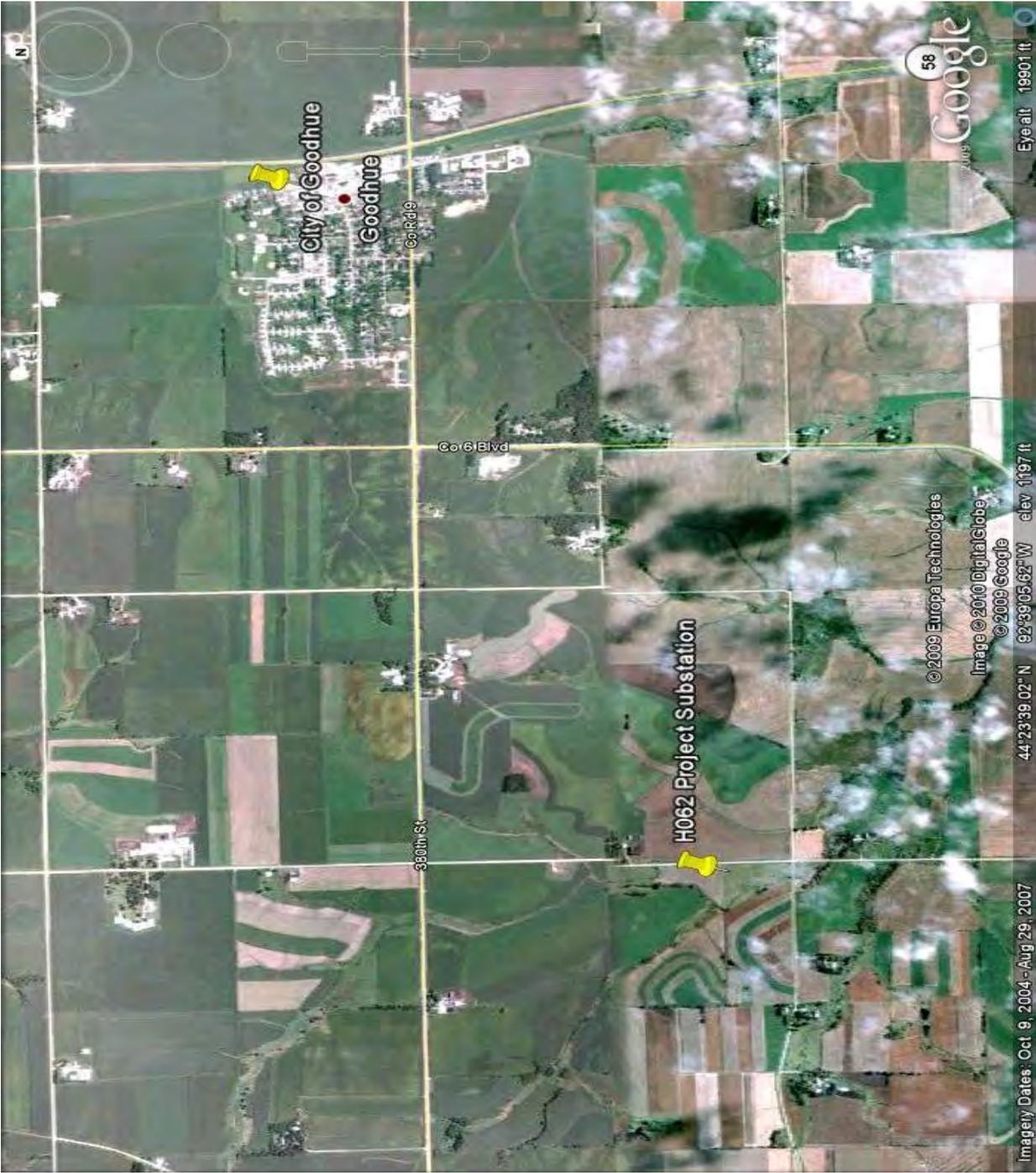
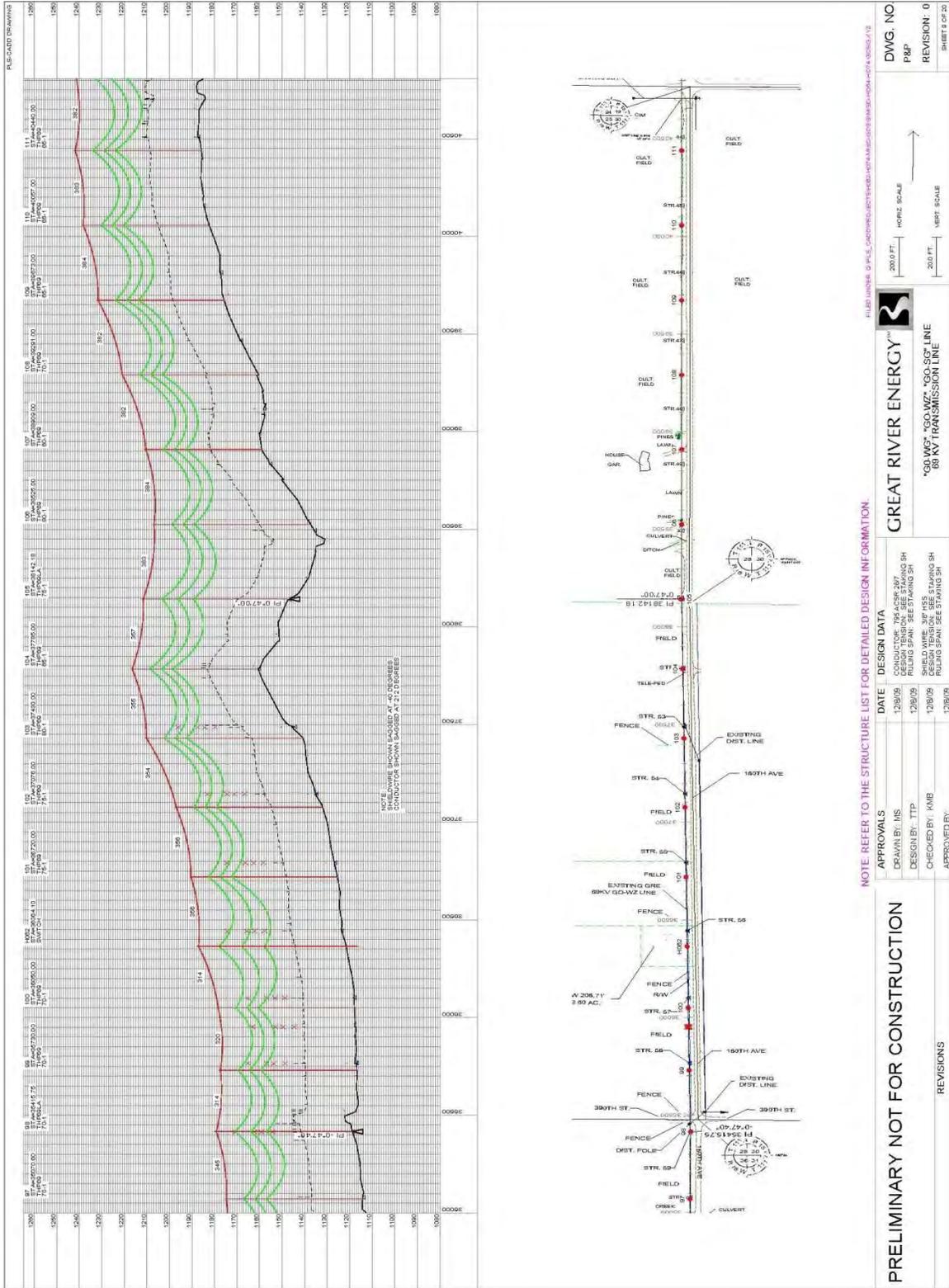


Exhibit A3 - Site Plan

See Transmission Line Plan and Profile.

Exhibit A4 - Transmission Line Plan and Profile



NOTE:
SAGGING SHOWN BASED ON 40 DEGREE
CONDUCTOR TENSION BASED ON 21 COLUMNS

NOTE: REFER TO THE STRUCTURE LIST FOR DETAILED DESIGN INFORMATION

APPROVALS	DATE	DESIGN DATA
DRAWN BY: MS	12/05	CONDUCTOR: 764.48K 307
DESIGNED BY: TTP	12/05	DESIGN TENSION: SEE STAMPING SH
CHECKED BY: KMB	12/05	RULING SPAN: SEE STAMPING SH
APPROVED BY:	12/05	DESIGN TENSION: SEE STAMPING SH
		RULING SPAN: SEE STAMPING SH

PRELIMINARY NOT FOR CONSTRUCTION

REVISIONS

DWG. NO.
P&P
REVISION: 0
SHEET 5 OF 20

GREAT RIVER ENERGY

"50 MW 764.48K 307" 60 KV TRANSMISSION LINE

Exhibit A5 - Facilities to be Constructed by Transmission Owner

	Location	Facilities to be Constructed by Transmission Owner	Estimate in 2010 dollars
1	Stand Alone Network Upgrades	None at this time	
2	Non-Stand Alone Network Upgrades	None at this time	
3	Interconnection Facilities	None	

Exhibit A6 – Detailed Cost of Facilities to be Constructed by Transmission Owner**A6-1 - Detailed Cost of Facilities to be Constructed by Transmission Owner (3-Way Tap Switch)**

Project Summary				Project Number:	83471
Project Title:	MISO H062	PM Name:	K. BEAMAN	Status:	In Progress
Project Location:	GO-WZ	Revision:	1	Retained Date:	
Project Option:					
<hr/>					
Transmission Division Depts - Internal Labor and Expenses					\$4,320
	Misc Expenses	Hours	Labor Cost	Total	
Engineering	\$0	68	\$2,688	\$2,688	
Project Management	\$0	8	\$348	\$348	
Telecommunications	\$0	0	\$0	\$0	
System Operations	\$0	0	\$0	\$0	
Planning	\$0	0	\$0	\$0	
Surveying	\$0	0	\$0	\$0	
Land Rights	\$0	32	\$1,284	\$1,284	
Environmental	\$0	0	\$0	\$0	
<hr/>					
Construction Labor					\$1,744
Construction and Maintenance	\$0	47	\$1,744	\$1,744	
Construction Supervision Reps	\$0	0	\$0	\$0	
<hr/>					
Materials					\$56,690
Air Break Switches				\$29,690	
Misc				\$7,000	
Special Units				\$20,000	
<hr/>					
Land Rights					\$3,500
Land Rights Damage Payments				\$500	
Land Rights Easement Payments				\$3,000	
Land Rights Legal Fees				\$0	
Land Rights Misc				\$0	
<hr/>					
Environmental					\$0
Environmental Crossing Permits				\$0	
Environmental Legal Fees				\$0	
Environmental Upfront Permits				\$0	
<hr/>					

Project Summary

Project Title: MISO H062
Project Location: GO-WZ
Project Option:

Revision: 1

Project Number: 83471
PM Name: K. BEAMAN
Status: In Progress
Retained Date:

	Subtotal	\$66,254
<hr/>		
Overhead Costs		\$15,770
9999 Allocation		\$1,273
General Administration		\$4,197
Heavy Equipment		\$2,350
Interest		\$0
Payroll Burden		\$4,111
Stores Expense		\$3,425
Vehicle Allocation		\$414
<hr/>		
Reimbursable		(\$82,024)
<hr/>		
	Total	\$0
<hr/>		

A6-2 - Detailed Material Cost of Facilities to be Constructed by Transmission Owner (3 Way Tap Switch)

Detail - Materials

Project Title: MISO H062
 Project Location: GO-WZ
 Project Option:

Revision: 1

Project Number: 83471
 PM Name: K. BEAMAN
 Status: In Progress
 Retained Date:

Materials Total Cost **\$56,690**

<u>Material Type</u>	<u>Description</u>	<u>Qty</u>	<u>Cost</u>
Install			
Air Break Switches	3W69SWSEECO1200amp	1	\$22,436
	FLBINT693WSEECO1200amp	1	\$7,254
Misc	Misc	1	\$5,000
	TM24LW	1	\$2,000
Special Units	MFG LAM POLE	1	\$20,000

A6-3 - Detailed Cost of Facilities to be Constructed by Transmission Owner (Claybank Substation Network Upgrades)

Project Summary

Project Title:	New Sub - H074 MISO Study	Project Number:	200238
Project Location:	Claybank	PM Name:	Greg Schutte
Project Option:	Network Facilities	Status:	In Progress
	Revision: 1	Retained Date:	

Transmission Division Depts - Internal Labor and Expenses				\$91,858
	Misc Expenses	Hours	Labor Cost	Total
Engineering	\$500	1788	\$64,953	\$65,453
Project Management	\$0	70	\$3,045	\$3,045
Telecommunications	\$0	270	\$9,720	\$9,720
System Operations	\$0	20	\$870	\$870
Planning	\$0	0	\$0	\$0
Surveying	\$0	0	\$0	\$0
Land Rights	\$500	152	\$6,180	\$6,680
Environmental	\$0	140	\$6,090	\$6,090
Construction Labor				\$216,249
Lineman	\$0	674	\$25,260	\$25,260
Apparatus	\$0	229	\$8,569	\$8,569
Relay	\$12,500	499	\$18,712	\$31,212
Telecommunications	\$0	89	\$3,338	\$3,338
Outside Contractors	\$0	0	\$0	\$0
Construction and Maintenance	\$0	0	\$0	\$0
Outside Contractors - Site	\$109,020	0	\$0	\$109,020
Outside Contractors - Foundation	\$34,500	0	\$0	\$34,500
Construction Supervision Reps	\$0	100	\$4,350	\$4,350
Materials				\$561,783
Buildings				\$94,500
Cable Trench & Conduit				\$1,160
Contingency				\$15,000
Contingency				\$5,000
Electrical Equipment - AC Auxiliary (Indoor)				\$19,470
Electrical Equipment - Buswork				\$26,099
Electrical Equipment - Cables				\$15,122
Electrical Equipment - DC Auxiliary				\$16,845
Electrical Equipment - Major Physical				\$154,363
Electrical Equipment - Misc. Relay & Control				\$2,900
Electrical Equipment - Relay & Control Panels				\$85,500
Electrical Equipment - RTU				\$23,100

6/25/2010

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Project Summary

Project Title:	New Sub - H074 MISO Study	Project Number:	200238
Project Location:	Claybank	PM Name:	Greg Schutte
Project Option:	Network Facilities	Status:	In Progress
	Revision: 1	Retained Date:	

Electrical Equipment - Telecom	\$2,743
Grounding	\$6,119
Steel	\$93,862
<hr/>	
Consulting, Contracting, Survey	\$10,000
Land Rights Outside Contractors	\$10,000
<hr/>	
Land Rights	\$53,500
Land Rights Damage Payments	\$1,500
Land Rights Easement Payments	\$50,000
Land Rights Legal Fees	\$1,000
Land Rights Misc	\$1,000
<hr/>	
Environmental	\$6,400
Environmental Crossing Permits	\$400
Environmental Legal Fees	\$0
Environmental Upfront Permits	\$6,000
<hr/>	
Subtotal	\$939,790
<hr/>	
Overhead Costs	\$284,977
9999 Allocation	\$31,728
General Administration	\$104,588
Heavy Equipment	\$9,650
Interest	\$0
Payroll Burden	\$102,431
Stores Expense	\$23,258
Vehicle Allocation	\$13,322
<hr/>	
Reimbursable	\$0
<hr/>	
Total	\$1,224,767
<hr/>	

A6-4 - Detailed Material Cost of Facilities to be Constructed by Transmission Owner (Claybank Substation Network Upgrades)

Detail - Materials

Project Title:	New Sub - H074 MISO Study	Project Number:	200238
Project Location:	Claybank	PM Name:	Greg Schutte
Project Option:	Network Facilities	Status:	In Progress
	Revision: 1	Retained Date:	

Materials Total Cost
\$571,433

<u>Material Type</u>	<u>Description</u>	<u>Qty</u>	<u>Cost</u>
Install			
Buildings	Control House - 24' x 36'	1	\$93,000
	Control House - in Floor Heating	1	\$1,500
Cable Trench & Conduit	Conduit - for small substation site (i.e. 69kV only)	1	\$800
	Trenching and Access - Machine (24" wide x 24" d)	500	\$360
Construction Heavy Equipment	Equip - Backhoe	2	\$2,000
	Equip - Forklift	3	\$2,250
	Equip - JLG- 60 ft.'	4	\$5,400
Contingency	Contingency - R/C	1	\$15,000
	Contingency - Telecom	1	\$5,000
Electrical Equipment - AC Auxiliary (In	120/240 V Service from Local Coop	1	\$15,000
	AC Cabinet 40 Position, 225A	1	\$325
	AC Circuit Breaker 2 Pole	20	\$320
	Autotransfer Switch 400A 600V, Single Phase	1	\$3,825
Electrical Equipment - Buswork	Conductor - 3" Aluminum Tube	40	\$230
	Conductor - 4/0 All Aluminum 7 strand	150	\$144
	Conductor - 5" Aluminum Tube	200	\$2,600
	Conductor- 1590 All Aluminum 61 strand	500	\$2,725
	Conductor Fittings - Term, Coupler, Damper, End	920	\$9,200
	Contract Welding	80	\$11,200
Electrical Equipment - Cables	CABLE - 1/C 1/0, 19 str CU, 600V, Type XLP	440	\$405
	CABLE - 1/C 4/0 19 str CU, 600V, Type XLPE/USE	120	\$491
	CABLE - 1/C 4/0, Type Welding (Battery Leads)	40	\$176
	CABLE - 12/C #12, Non-shielded	1100	\$2,640
	CABLE - 12/C #16, Non-shielded	250	\$392
	CABLE - 20/C #12, Non-shielded	600	\$3,096

<u>Material Type</u>	<u>Description</u>	<u>Qty</u>	<u>Cost</u>
Electrical Equipment - Cables	CABLE - 3/C #12, Type Non-shielded	700	\$602
	CABLE - 3/C #8, Type Non-shielded	1000	\$1,970
	CABLE - 4/C #10, Type XLPE, shielded	2000	\$4,100
	CABLE - 5/C #12, Non-shielded	550	\$671
	CABLE - 7/C #12, Type XLPE, Non-shielded	255	\$439
	CABLE - SEL Serial Comm Relay to 2030 (SEL STOC	4	\$140
Electrical Equipment - DC Auxilliary	Battery 125V 150AH w/84" Rack	1	\$10,035
	Battery Charger 125V 25A	1	\$3,200
	Battery Main Fuse - 150A	2	\$540
	Battery Main Fuse Enclosure Back Panel	2	\$70
	Battery Main Fuse Fiberglass Enclosure	2	\$302
	Battery Main Fuse Holder - 110-200A Fuses	2	\$244
	DC Panel - Commonwealth, 36 ckt, 30A	1	\$7,454
Electrical Equipment - Major Physical	CB-GAS 69KV 2000A 40KA	2	\$69,200
	Insulator - Station Post 69kV	7	\$864
	Safety Switch 400A 120/240V AC	2	\$2,289
	Surge Arrester - 48kV MCOV Station Class, Polym	6	\$3,028
	SW - 69KV 3PST 2000A VB	4	\$28,800
	Trans - Pot 69kV	5	\$21,000
	Trans - Pot Sec Fuse Cabinet (includes internal fus	1	\$1,029
	Trans - Pot Sec Fuse Cabinet (includes internal fus	2	\$1,154
	Transformer - Station Service, 69kV HV, 120/240V	1	\$27,000
Electrical Equipment - Misc. Relay & C	Control House - Terminal Cabinet	1	\$2,900
Electrical Equipment - Relay & Contro	Panel - 69kV Bus Diff	1	\$25,500
	Panel - 69kV Line (Pri/Sec) 1 Line/1 Bkr Straight B	2	\$60,000
Electrical Equipment - RTU	Cybertec Gateway - 16 Ports (Small Sub)	1	\$12,000
	Panel - RTU (**Does not include Cybertec Gatew	1	\$11,100
Electrical Equipment - Telecom	CABLE, COAX 1/2" JACKETED FOAMDIELECTRIC, A	100	\$135
	CONVERTER, DC-DC, 90-350 VDCIN, 48 VDC OUT,	1	\$299
	PHONE, STANDARD IP DESK CISCO #CP-7941G	1	\$210
	TERMINAL SERVER, ST, RUGGEDCOM RS-400-HI-D	1	\$2,099
Grounding	Ground - Cadweld Connections	18700	\$935
	Ground - 4/0 Cu wire 19 strand	1000	\$3,100

<u>Material Type</u>	<u>Description</u>	<u>Qty</u>	<u>Cost</u>
Grounding	Ground - Lug L-70 for use with above grounding b	12	\$24
	Ground - Mobilization	1	\$1,300
	Ground - Rod Coupler, 5/8" diameter	40	\$160
	Ground - Rods, 5/8" x 10'-0	40	\$600
Steel	Bus support stand 69kV - 3 Phase high bus	1	\$2,655
	Bus support stand 69kV - 3 Phase low bus	1	\$2,448
	Bus support stand 69kV - Single Phase high bus	1	\$1,600
	Deadend Termination structure, single, 69kV Hig	2	\$80,000
	PT stand, 69kV - 3 Phase	1	\$2,283
	PT stand, 69kV - Single Phase	1	\$638
	Switch stand, 69kV low bus	2	\$4,237

A6-5 - Detailed Cost of Facilities to be Constructed by Transmission Owner (Claybank Line Termination Network Upgrades)

Project Summary

Project Title: New Sub - H074 MISO Facility Study	Project Number: 200238
Project Location: Claybank	PM Name: Greg Schutte
Project Option: GO-SG Line Termination Revision: 1	Status: In Progress
	Retained Date:

Transmission Division Depts - Internal Labor and Expenses				\$672
	Misc Expenses	Hours	Labor Cost	Total
Engineering	\$0	15	\$585	\$585
Project Management	\$0	2	\$87	\$87
Telecommunications	\$0	0	\$0	\$0
System Operations	\$0	0	\$0	\$0
Planning	\$0	0	\$0	\$0
Surveying	\$0	0	\$0	\$0
Land Rights	\$0	0	\$0	\$0
Environmental	\$0	0	\$0	\$0
Construction Labor				\$150
Construction and Maintenance	\$0	4	\$150	\$150
Construction Supervision Reqs	\$0	0	\$0	\$0
Materials				\$3,000
Wire Assemblies				\$3,000
Land Rights				\$0
Land Rights Damage Payments				\$0
Land Rights Easement Payments				\$0
Land Rights Legal Fees				\$0
Land Rights Misc				\$0
Environmental				\$0
Environmental Crossing Permits				\$0
Environmental Legal Fees				\$0
Environmental Upfront Permits				\$0
Subtotal				\$3,822

Project Summary

Project Title: New Sub - H074 MISO Facility Study
Project Location: Claybank
Project Option: GO-SG Line Termination Revision: 1

Project Number: 200238
PM Name: Greg Schutte
Status: In Progress
Retained Date:

Overhead Costs	\$2,128
9999 Allocation	\$173
General Administration	\$569
Heavy Equipment	\$480
Interest	\$0
Payroll Burden	\$557
Stores Expense	\$300
Vehicle Allocation	\$49

Reimbursable	\$0
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Total	\$5,950
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A6-6 - Detailed Material Cost of Facilities to be Constructed by Transmission Owner (Claybank Line Termination Network Upgrades)

TRANSMISSION OWNER

Detail - Materials

Project Title: New Sub - H074 MISO Facility Study	Project Number: 200238
Project Location: Claybank	PM Name: Greg Schutte
Project Option: Interconnection Facilit Revision: 1	Status: In Progress
	Retained Date:

Materials Total Cost	\$127,272
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<u>Material Type</u>	<u>Description</u>	<u>Qty</u>	<u>Cost</u>
Install			
Cable Trench & Conduit	Conduit - for small substation site (i.e. 69kV only)	1	\$800
	Trenching and Access - Machine (24" wide x 24" d)	300	\$216
Construction Heavy Equipment	Equip - Backhoe	1	\$1,000
	Equip - JLG- 60 ft'	2	\$2,700
Contingency	Contingency - R/C	1	\$5,000
Electrical Equipment - Buswork	Conductor- 4/0 All Aluminum 7 strand	60	\$58
	Conductor- 1590 All Aluminum 61 strand	190	\$1,036
Electrical Equipment - Cables	CABLE - 12/C #12, Non-shielded	400	\$960
	CABLE - 12/C #16, Non-shielded	100	\$157
	CABLE - 20/C #12, Non-shielded	200	\$1,032
	CABLE - 3/C #12, Type Non-shielded	250	\$215
	CABLE - 3/C #8, Type Non-shielded	400	\$788
	CABLE - 4/C #10, Type XLPE, shielded	1100	\$2,255
	CABLE - 5/C #12, Non-shielded	250	\$305
	CABLE - 7/C #12, Type XLPE, Non-shielded	250	\$430
	CABLE - SEL Serial Comm Relay to 2030 (SEL STOC	3	\$105
Electrical Equipment - Major Physical	CB-GAS 69KV 2000A 40KA	1	\$34,600
	Surge Arrester - 48kV MCOV Station Class, Polym	3	\$1,514
	SW - 69KV 3PST 2000A VB	2	\$14,400
	Trans - Pot 69kV	1	\$4,200
	Trans - Pot Sec Fuse Cabinet (Includes internal fus	1	\$577
Electrical Equipment - Metering	SEL-734 Rackmount (Panel Mount) Meter	1	\$2,200
	Test Switch w/Cover and Mounting Studs (Compl	1	\$68
Electrical Equipment - Relay & Contro	Panel - 69KV Line (Pri/Sec) 1 Line/1 Bkr Straight B	1	\$30,000
Grounding	Ground - Cadweld Connections	500	\$25

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**Exhibit A7 - Transmission Owner Facilities to be Constructed by Interconnection
Customer**

There are no Transmission Owner facilities to be constructed by the Interconnection Customer.

**Exhibit A8 - Detailed Cost of Transmission Owner Facilities to be Constructed by
Interconnection Customer**

There are no Transmission Owner facilities to be constructed by the Interconnection Customer.

**Exhibit A9 - Facilities funded by Interconnection Customer Subject to Transmission
Owner Reimbursement pursuant to Attachment FF**

	Location	Facilities to be Constructed by Transmission Owner	Estimate in 2010 dollars
1	Stand Alone Network Upgrades	None at this time	
2	Non-Stand Alone Network Upgrades	None at this time	
3	Interconnection Facilities	None at this time	

A10 - Contingent Facilities

Contingent facilities are defined as facilities deemed necessary for the interconnection of a higher queued generator. Should a higher queued generator be removed from the Queue, then the lower queued generator may be expected to finance the necessary upgrades.

Upgrade assumptions required before unconditional ERIS/NRIS service starts for this project:

Contingent facilities are defined as facilities deemed necessary for the interconnection of a higher queued generator. Should a higher queued generator be removed from the Queue, then the lower queued generator may be expected to finance the necessary upgrades.

2013 Transmission Upgrades

Great River Energy (GRE)

- Build Enterprise Park-Crooked lake 115 kV line and install Enterprise Park 115/69/12.8 kV transformer;
- Build Lawrence area 115 kV network upgrades;
- Build a new Kramer Lake Tap-Akeley 115 kV;
- Build Badoura-Birch Lake 115 kV lines;
- Build Embarrass-Tower 115 kV line;
- Build Badoura-Long Lake 115 kV line;

ITC Midwest (ITCM)

- Rebuild Marshalltown-Toledo 115 kV line;
- Rebuild 2.5-mile Beaver-Channel 2nd Ave 69 kV to 161 kV and operate at 69 kV;
- Replace the existing Hazleton 345/161 kV transformer with a larger unit (335 MVA);
- Rebuild Hills-Washington 69 kV;
- Install 7.2 MVAR Cap at Leon 69 kV bus;
- Install 7 MVAR Cap at North Centerville 69 kV;
- Replace the existing Salem 345/161 kV transformer with a larger unit (448 MVA), and install a second Salem 345/161 kV transformer;
- Rebuild Toledo-Belle Plaine-Stoney Point 115 kV;
- Build Salem-Hazleton 345 kV line;
- Upgrade Quad-Rock Creek-Salem 345 kV terminal equipment;
- Rebuild the Dyersville-Farley-Epworth-Peosta 69 kV line;
- 300 MW wind project G172 (MN, Mower County, status is off) at Adams Substation;
- Reconnector Arnold-Vinton-Dysart-Washburn 161 kV line;
- Install a 161 kV 50 MVAR cap bank at the Ottumwa Generating Station;
- Build a 6th-Beverley 161 kV line to serve new industrial customer load;
- Rebuild Heron Lake-Lakefield 161 kV line to 446 MVA (summer rating);

- Build a Marion-Lewis Fields-Coggon 115 kV line and Hiawatha-Lewis Fields 161 kV line; install Lewis Fields 161/115 kV transformer;
- Rebuild Emery-Armor 69 kV line;
- Replace both Hazleton 161/69 kV transformers with 75 MVA units;

Minnesota Power (MP)

- New Pepin Lake 115/34.5 kV Substation;
- Build Long Lake-Badoura-Pine River-Pequot 115 kV line;
- New load at Dunka;

Otter Tail Power Company (OTP)

- East Fergus-South Cascade 115 kV Upgrade;
- Replace existing transformer at Cass Lake with a 55 MVA 115/69/41.6 kV transformer;
- Add a 2nd Winger 230/115 kV transformer;
- Add a Silver Lake 230/41.6 kV transformer;
- Build a 115 kV line from Mapleton 115 to a new substation located west of Casselton, and build a 115 kV line from the Ethanol plant to the Buffalo 115 kV bus;

Southern Minnesota Municipal Power Association (SMMPA)

- Lake City load serving upgrades: Lake City 69 kV capacitor, new Lake City-Zumbro Falls 69 kV line;

Western Area Power Administration (WAPA)

- Build Letcher 230/115/13.2 kV Substation; build Utica (Menno Jct.-Utica Jct.-Yankton Jct.) 115 kV connection, and install the Utica 230/115/13.2 kV transformer.

Xcel Energy (XEL)

- Scott County-West Waconia 115 kV line conversion;
- Add 10 MVAR Cap bank at Lake Emily;
- Wilmarth-Blue Lake upgrades;
- Traverse-St. Peter 69 kV upgrades;
- West Sioux Falls-Pathfinder 115 kV line separation (separate double circuits into two single circuits);
- Eau Claire-Hydro Lane 161 kV Conversion;
- Install one 60 MVAR capacitor bank on 161 kV bus 1 at La Crosse Substation and 2×30 MVAR capacitor banks on the 161 kV bus at Monroe County Substation;
- Woodbury-Tanners Lake 115 kV line upgrades;
- Mankato 115 kV Loop Conversion;
- BRIGO upgrades;
- New Richmond Area Plan;

- Riverside Generation upgrades: install two new Riverside generation units, retiring the old Unit #8;
- New Ulm transmission service;
- Reconductor Black Dog-Wilson Ckt #2;
- Upgrades Scott Co.-Westgate 115 kV line;
- Add new load at Somerset;
- Minnesota Jackson County wind projects G518 and G536 are already in the “urg-so08a.case”;
- Flambolt Hydro Park Falls plant G609 (6 MW) was not included in the model due to its location and capacity;
- Sauk River-St. Cloud 115 kV upgrades;
- Chisago-St Croix Falls-Apple River 115-161 kV upgrades (St Croix Falls-Apple River 161 kV portion is DPC project).

MISO prior-queued projects

MISO Project Number	County, State	Net Plant Max MW
G164	Martin, MN	38
G176	Lincoln, MN	100
G185	Pipestone, MN	4
G241	Lincoln, MN	2
G252	Murray, MN	10
G255	Brookings, SD	100
G261	Blue Earth, MN	375.2
G278	Pipestone, MN	8
G287	Nobles, MN	200
G298	Dickinson, IA	100
G301	Osceola, IA	4
G349	Lincoln, MN	200
G358	Faribault, MN	36
G374	Nobles, MN	6
G375	Cottonwood, MN	20
G380	Pierce, ND	150
G382	Pipestone, MN	8
G386	Martin, MN	100
G397	Pipestone, MN	5
G398	Pipestone, MN	2
G417	Scott, MN	15
G426	Jackson, MN	100
G442	Cottonwood, MN	50
G443	Lincoln, MN	7
G444	Lincoln, MN	5
G474	Grant, MN	20
G489	Lyon, MN	20

MISO Project Number	County, State	Net Plant Max MW
G491	Pipestone, MN	100
G514	Martin, MN	150
G517 ^[1]	Cottonwood, MN	130
G518	Jackson, MN	8
G520	Lyon, MN	150
G532	Cottonwood, MN	20
G536	Jackson, MN	20
G538	Dickinson, IA	50
G584	Pipestone, MN	3
G613	Redwood, MN	17
G876 ^[2]	McLean, MN	20.5
G877 ^[2]	McLean, MN	9
Magnolia	Nobles, MN	1.6
W Lakefield Tap	Jackson, MN	5.7
Cass Lake	Beltrami, MN	12.5
St James MU	Watonwan, MN	12
Waterville	Le Sueur, MN	45
Hadley	Murray, MN	1.9

MISO Group 5 Projects

MISO Project Number	County, State	Net Plant Max MW
G438	Marshall, SD	19.5
G540	Worth, IA	80
G548	Worth, IA	80
G549	Pope, MN	19.95
G551	Howard, IA	100
G552	Emmet, IA	50.4
G555	Stevens, MN	100
G573	Franklin, IA	80
G574	Franklin, IA	80
G575	Franklin, IA	40
G576	Rock, MN	40
G586	Lincoln, MN	30
G587	Sibley, MN	20
G593	Jackson, MN	100
G594	Jackson, MN	50
G595	Hancock, IA	150
G602	Nobles, MN	31.5
G604	Steele, MN	44
G608	Pope, MN	6.3

MISO Project Number	County, State	Net Plant Max MW
G612	Story, IA	150
G614	Emmet/Dickinson, IA	200
G617	Blue Earth, MN	49.5
G618	Yellow Medicine, MN	138
G619	Otter Tail, MN	50
G620	Goodhue, MN	20
G621	Pipestone, MN	20
G626	Brown, MN	31.5
G628	Brown, MN	31.5
G630	Big Stone, MN	21
G631	Nobles, MN	18.9
G632	Nobles, MN	18.9
G633	Nobles, MN	18.9
G634	Brookings, SD	96
G635	Deuel, SD	100.5

Capacitor Additions Proposed in MISO Group 5 Study

Upgrade Bus	Cap Bank Upgrade Size	Cap Bank Type
Storden 161 kV	8×20 MVAR	Fast Switched
Storden 69 kV	10 MVAR	
Panther 69 kV	2×30 MVAR	
Paynesville 115 kV	4×40 MVAR	Fast Switched
Hazel Creek 115 kV (Near-Term) Hazel Creek 345 kV (Out-Year)	4×30 MVAR	
Brooking Co. 115 kV	2×40 MVAR	

WAPA Prior-queued Interconnection Projects

IS Project Number	County, State	Net Plant
GI-0108	Brookings, SD	200
GI-0327	Moody, SD	10
GI-0405	Brookings, SD	8
GI-0512	Dickey, ND	49.5
GI-0513	Codington, SD	65
GI-0601	Lyon, MN	10

GI-0602	Jerauld, SD	100
GI-0608	Brown, SD	120
GI-0704	Brookings, SD	240

Minnkota Prior-queued Interconnection Projects

Minnkota Project Number	County, State	Net Plant
MPC00100	Cavalier, ND	99
MPC00200	Cavalier, ND	60
MPC00300	Cavalier, ND	40.5
MPC00500	Cass, ND	358

Manitoba Hydro Projects

Letellier 300 MW wind farm

Exhibit A11**Interconnection Customer Milestones**

The Interconnection Customer communicated the following milestone dates for the H062 schedule.

Item	Date
Initial Backfeed	March 30, 2011
Commercial Operation	May 1, 2011

Exhibit A12**Construction and Coordination Schedules**

The project schedule is prepared based on the normal activities and time frame required by the Transmission Owner. It may not match with the Customer requirements and in-service dates. At the time of executing the Interconnection Agreement a project schedule will be developed that will integrate with other work/projects performed by the Transmission Owner.

Below is a project schedule for the Transmission Owner Facilities.

Milestone Description	Timeline
Engineering and design	Month 1-month 9
Land Acquisition	Month 1-month 9
Permitting	Month 4-month 9
Order materials	Month 2 – month 9
Construction staking	Month 10
Transmission construction	Month 10-month 13
Connect Customer Line	Month 13

Exhibit A13

Permits, Licenses, Regulatory Approvals and Authorization

The new substation will require an environmental site assessment prior to purchase of the land. A storm water permit and building permit will need to be obtained prior to construction.

Exhibit A14

Interconnection and Operating Guidelines

Power Factor Range

For all system conditions, H062 will be required to **be able to** operate within a power factor range from 0.95 lagging (delivering VARs) to 0.95 leading (absorbing VARs) at the Point of Interconnection (POI).

Operating Guides

The Interconnection System Impact Study Report for this project can be located on the MISO queue page. The report identified Operating Restrictions for H062. Operating Guides, if required, will be developed prior to commercial operation of the increased capacity.

**Appendix B
To GIA**

Milestones

(Shared Upgrade and Common Use Upgrade responsibility to be determined.)

1. Selected Option pursuant to Article 5.1: Interconnection Customer selects Standard Option as described in Article 5.1.1. Option 5.1.2, 5.1.3, 5.1.4 and 5.3 do not apply.

2. Milestones: This schedule assumes the applicable Interconnection Customer Milestones have been met by the Interconnection Customer under this GIA

A. Interconnection Customer Milestones by Interconnection Customer

	<u>Task</u>	<u>Date Due</u>
1	Execute this Interconnection Agreement.	By August 30, 2010 to meet the schedule.
2a	Provide to Transmission Provider (a) reasonable evidence of continued site control or (b) post \$250,000 non-refundable additional security.	Within 15 days after execution of the Agreement.
2b	Provide as applicable Shared Network Upgrade payments or irrevocable letter of credit – None at this time.	Within 15 days after execution of the Agreement.
3	Provide Certificate of Insurance (GIA 18.4.9).	Within 10 days of execution of GIA; within 90 days of end of fiscal year or insurance renewal date. (All references in the Milestones to “days” shall mean “Calendar Days” under the GIA).
4	Provide evidence of one or more of the following milestones being achieved execution of contract for (a) fuel supply transport; (b) cooling water supply; (c) engineering procurement of major equipment or construction; (d) sale of electric energy or capacity; or (e) application for air, water or land use permits (GIP 11.3).	Within 120 days of execution of this GIA.
5a	Provide \$N/A to Transmission Owner for progress payment pursuant to Article 11.5 for the Transmission Owner Interconnection Facilities and/or Network Upgrades to proceed with permitting, design and procurement of those upgrades.	N/A

	<u>Task</u>	<u>Date Due</u>
5b	Provide \$N/A progress payment to Transmission Owner in accordance with Article 11.3 for the purpose of ordering major equipment and funding the start of construction of the Network Upgrades and provide Transmission Owner with a notice to proceed with construction.* **	N/A.
6	Provide final design and specifications for Interconnection Customer's Interconnection Facilities to Transmission Owner and Transmission Provider for comment (GIA 5.10.1).	Pursuant to the GIA unless mutually agreed otherwise.
7	Notify Transmission Provider and Transmission Owner in writing of Control Area where Generating Facility is located (GIA 9.2).	Pursuant to the GIA unless mutually agreed otherwise.
8	Commencement of construction of Interconnection Customer's Interconnection Facilities.	To be determined by mutual agreement.
9	Interconnection Customer's Interconnection Facilities completed.	To be determined by mutual agreement. *
10	Pre-energization meeting.	To be determined by mutual agreement.
11	Initial Synchronization Date (backfeed date).	September 1, 2011.
12	Commercial Operation Date.	Interconnection Service shall not commence until completion of Transmission Owner's Switching Station (associated with project H074) and the Interconnection Tap Substation for H062 under a separate MPFCA.
13	Provide Notice to the Parties upon completion of each of the Network Upgrades (Including Common Use Upgrades) including facilities to be installed under future agreements identified in Appendix A required for unconditional Interconnection Service under this GIA.	Required prior to commencement of Interconnection Service.
14	Provide Notice to the Parties that the Interconnection Customer has completed all of its obligations under separate agreements identified in Appendix A	Required prior to commencement of Interconnection Service.
15	Provide Notice to the Parties upon completion of all of the Network Upgrades (Including Common Use Upgrades) including facilities to be installed under separate agreements identified in Appendix A required for unconditional Interconnection Service under this GIA.	Required prior to commencement of Interconnection Service.

B. Transmission Owner Milestones for Interconnection Facilities and Network Upgrades by Transmission Owner

No.	Description	Date
1	Provide Certificate of Insurance (GIA 18.4.9).	Within 10 days of execution of GIA; within 90 days of end of fiscal year or insurance renewal date.
2	Commence permitting activities for the Network Upgrades and provide Transmission Owner with notice to proceed with such permitting activities.	Upon satisfaction of Interconnection Customer Milestone 5a.
3	Commence design and procurement of Transmission Owner Interconnection Facilities and provide Transmission Owner.	Upon satisfaction of Interconnection Customer Milestone 5b.
4	Continue design and procurement of Transmission Owner Interconnection Facilities.	Upon satisfaction of Interconnection Customer Milestone 5c.
5	Commence engineering for the Network Upgrades.	Upon satisfaction of Interconnection Customer Milestone 5d.
6	Commence ordering major equipment for the Network Upgrades.	Upon mutual agreement.
7	Commence construction of the Network Upgrades and Transmission Owner Interconnection Facilities.***	Upon mutual agreement.
8	Backfeed Date.	See Table A item 11.
9	In-Service Date (for Generating Facility).	See Table A item 12.
10	Comment on Interconnection Customer's final design and generator specifications.	30 days after submittal by the Interconnection Customer.
11	Deliver to Interconnection Customer and Transmission Provider "as built" drawings, information and documents regarding Transmission Owner's Interconnection Facilities (GIA 5.11).	Within 120 days of actual Commercial Operation Date.
12	<ul style="list-style-type: none"> ▪ Provide final accounting of actual costs and Interconnection Customer final cost invoices (GIA 12.2 <i>et seq.</i>). 	Within 180 days of actual in service date or actual Commercial Operation Date.
13	<ul style="list-style-type: none"> ▪ Refund any overpayment of estimated costs. (GIA 12.2 <i>et seq.</i>). 	Within 30 days of final invoice.

***Assumes Transmission Owner has obtained all necessary final authorizations ("FA") including all necessary permits to commence construction of facilities needed to interconnect the Generating Facility. In the event the necessary permits are not obtained prior to the relevant Interconnection Customer Milestone timelines provided in 5a-5e above as determined by Transmission Owner, the Interconnection Customer shall defer payments until the necessary permits are obtained. In such event, payments due under Interconnection Customer Milestones

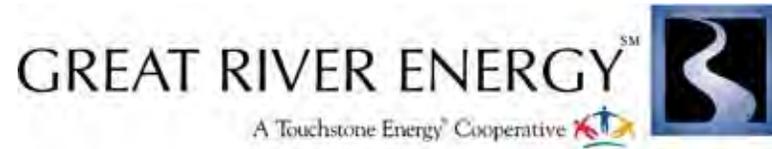
5a-5e shall be provided within thirty (30) days of Transmission Owner obtaining the necessary permits.

- C. **Affected System Owner Milestones:** To be specified in separate Multi-Party Facilities Construction Agreements if applicable.

**Appendix C
To GIA**

Interconnection Details

This Appendix C is a part of this GIA among Interconnection Customer, Transmission Owner and the Transmission Provider.



GREAT RIVER ENERGY

GENERATION

INTERCONNECTION

GUIDELINES

Revision 3

December, 2009

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I. TRANSMISSION LEVEL GENERAL REQUIREMENTS

A. Purpose

The Great River Energy Generation Interconnection Guidelines (the “Interconnection Guidelines” or “Guidelines”) are intended to serve as a reference for interconnection customers to follow in interconnecting generation projects with the Great River Energy (“GRE”) transmission system or within GRE’s balancing authority. These Guidelines are intended to supplement and be consistent with the requirements of the Midwest Independent Transmission System Operator, Inc. (“MISO”). As the Transmission Provider, MISO administers the generator interconnection process. As the Transmission Owner, GRE sets the technical standards that must be met by an interconnection customer when interconnecting to the GRE transmission system.

These Guidelines are intended to describe GRE’s requirements from the planning of a generation interconnection through project start up and operation. However, GRE’s requirements are not the only consideration. The interconnection customer must also comply with the requirements of the following authorities:

- State and federal laws and regulatory requirements, including the Public Utility Regulatory Policies Act (“PURPA”)
- Midwest Independent Transmission System Operator, Inc. (“MISO”)
- North American Reliability Council (“NERC”), the Midwest Reliability Organization (“MRO”), and any other applicable regional reliability organization.

These Guidelines are intended as a convenience for the interconnection customer in understanding GRE’s requirements. These Guidelines are not intended to modify or supersede the requirements of any authority noted above. All interconnection customers are required to comply with the relevant requirements of such authorities, as such requirements may change over time. In addition, GRE may revise this document at any time and without notice. GRE will make every effort to post updated versions of this document on GRE’s website or otherwise inform users of any changes to this document. Nevertheless, it is the interconnection customer’s responsibility to work closely with GRE, MISO and others to ensure compliance with all applicable interconnection requirements.

These Guidelines may not address every situation an interconnection customer may encounter. It is the responsibility of the interconnection customer to consult GRE when in doubt as to the applicability of any requirement in these Interconnection Guidelines to the proposed interconnection.

The requirements described in this document shall not be construed as modifying or superseding any existing agreements between GRE and the interconnection customer.

All capitalized terms that are used in these Interconnection Guidelines that are not defined herein shall have the meanings given to them in the MISO ASM Tariff or other relevant MISO documents.

All questions related to these Interconnection Guidelines should be addressed to:

Cassie Polman
Great River Energy
12300 Elm Creek Boulevard
Maple Grove, MN 55369-4718
763-445-5919
cpolman@Greenergy.com

GRE contact information for unusual or emergency operations conditions:

Great River Energy Operations Control Center
763-241-2340

B. MISO Interconnection Requirements

All interconnection customers are required to comply with the MISO generator interconnection process and requirements as set forth in the MISO Open Access Transmission, Energy and Operating Reserves Markets Tariff (the "ASM Tariff"), including its Attachment X, Generator Interconnection Procedures, and the applicable Business Practice Manuals. The generator interconnection process includes Pre-Queue, Application Review, System Planning & Analysis, Definitive Planning Phase, and Generator Interconnection Agreement stages. MISO will contact and involve the appropriate Transmission Owners, including GRE, as applicable.

The MISO generator interconnection requirements are described here:

<http://www.midwestmarket.org/page/Generator+Interconnection>

C. Project Requirements & Design

These Guidelines describe the GRE operating, metering, and equipment protection requirements for generators interconnecting with GRE's transmission system. The requirements vary according

to the size of the generator and the voltage level of the point of interconnection. These Guidelines are general and may not fully address the circumstances of a specific interconnection request. Additional or different requirements may also be necessary for a specific project as a result of the findings of the studies required by MISO as part of its generator interconnection procedures, in particular the System Impact Study and the Facility Study.

The interconnection customer is responsible for the design, installation, operation and maintenance of all necessary equipment for connection to the GRE system unless otherwise agreed to in writing. The interconnection customer is also responsible for submitting specifications and detailed plans for the design of the control and protective devices to GRE for review and written approval prior to construction of the interconnection facilities. Written approval by GRE does not indicate or ensure acceptance by local code authorities. GRE's requirements are designed to protect GRE facilities and equipment, they are not designed to protect the interconnection customer's generators. GRE shall not be responsible for the protection of any of the equipment owned by the interconnection customer.

In the design of the control and protective devices, the interconnection customer shall comply with NERC and other applicable industry standards, and such design will conform to Good Utility Practice.

D. Financial Obligations Associated with Interconnection

All financial obligations are set forth in the Interconnection Agreement or Facility Construction Agreement between the applicable Transmission Owner(s), the interconnection customer and MISO.

E. Station Power Service

The interconnection customer is required to arrange for and obtain the station power service required for its facilities. Station power service is required to be in compliance with Schedule 20 of the MISO ASM Tariff. Per Schedule 20, a generator owner may choose to receive station power from a local distribution service provider, through on-site self-supply, or by procuring transmission service for remote self-supply or remote third party supply, or through the MISO Market Participant that represents the generation in the MISO market. The "Application To Provide Station Power Service Under Schedule 20" can be requested via email from a MISO Customer Relation Representative at register@midwestiso.org.

F. Construction

There are two components to the construction process. One is the construction of the Interconnection Facilities. The other is the construction of the Network Upgrades, if any, that are required on the transmission system of GRE and/or other Transmission Owner(s). Both sets of facilities must be complete in order for the interconnection customer to receive approval to operate interconnected to GRE's transmission system.

It is the interconnection customer's responsibility to obtain any required permits and local, state, and federal approvals in order to construct and operate its Interconnection Facilities.

G. Approval to Operate

The interconnection customer must receive the prior written approval of GRE to operate interconnected to the GRE system. To receive the approval of GRE, the following must be complete:

- Generator Interconnection Agreement and Facility Construction Agreement executed and filed in accordance with FERC requirements.
- All Interconnection Facilities and Network Upgrades complete and in-service.
- Interconnection customer completes all required submittals to GRE, including insurance certificates, as required by the Generation Interconnection Agreement.
- Interconnection customer provides notice to GRE of a 24 hour x 7 day a week contact in order to address real time operational issues with the generation facility.

Once all of the above requirements are complete, GRE will notify the interconnection customer and MISO that they may begin operating.

H. Operation

The following is a brief description of procedures with which the interconnection customer must comply during operation. Operating procedures are discussed in detail in "Operating Procedure" section below.

The interconnection customer must immediately notify GRE at of any unusual or emergency conditions, or of any change in the interconnection customer's mode of operation including separating from or interconnecting with the GRE system. GRE may also require additional capacity and energy reports. GRE must also be given notice of scheduled maintenance periods.

The interconnection customer shall maintain a daily operations log and make it available to GRE upon request. The log shall have a record of all communications between the interconnection customer and GRE's System Operations Control Center. The log shall note all unusual occurrences and changes in operating mode.

All required equipment must be operable prior to delivering power into the GRE system.

I. Generator Required Documentation

Within three (3) months of placing the generation facilities in-service, the interconnection customer shall submit the following documents to GRE:

- As-built Electrical One-line drawing which includes metering and relaying and protection devices.
- Transformer nameplate data.
- Transformer test reports.
- Generator nameplate data.
- Generator data sheets.

II. GENERATOR REQUIREMENTS

A. Power System Stabilizers

The power system stabilizer (PSS) provides added stability to the electrical system when system power oscillations occur. To comply with Midwest Reliability Organization (MRO) requirements, generators 75MVA and larger must be equipped with Power System Stabilizers to dampen power oscillations. The PSS must be tuned to the electric delivery system mode of oscillation.

B. Reactive Supply and Voltage Control from Generation Sources Service

Reactive Supply and Voltage Control is a FERC defined ancillary service. Any generator providing such service to the balancing authority operator must be able to automatically control the voltage level at the point of interconnection by adjusting the machine's power factor within a continuous range between +95% and -95% power factor based on the plant's sum total name plate generating capability. The voltage setpoint that the generator needs to maintain will be established and adjusted as necessary by GRE's System Operations Department.

C. Voltage Operating Limits

The interconnection customer's equipment shall not cause excessive voltage excursions. The interconnection customer shall provide an automatic means of disconnecting its equipment from the GRE system within three seconds if the steady state voltage cannot be maintained within the required tolerance.

Transmission systems are not designed to provide precise voltage regulation. In planning the interconnection to the GRE system, the interconnection customer should anticipate voltage levels that deviate ± 10 percent from nominal. If the interconnection customer's equipment cannot operate within the above range, the interconnection customer may need to provide regulation equipment to limit voltage level excursions at its facilities.

The GRE transmission system is designed to avoid dynamic voltage dips below 0.70 pu due to external faults or other disturbance initiators. The interconnection customer should allow sufficient dead band in its voltage regulation equipment control to avoid reacting to dynamic voltage dips.

D. Flicker Operating Requirements

Voltage fluctuations may be noticeable as visual lighting variations (flicker) and can damage or disrupt the operation of electronic equipment. Interconnections to the GRE system are not allowed to produce flicker to adjacent customers that exceeds the guideline shown below in Figure 1. The interconnection customer will be responsible and liable for corrections if the interconnecting facility is the cause of objectionable flicker levels.

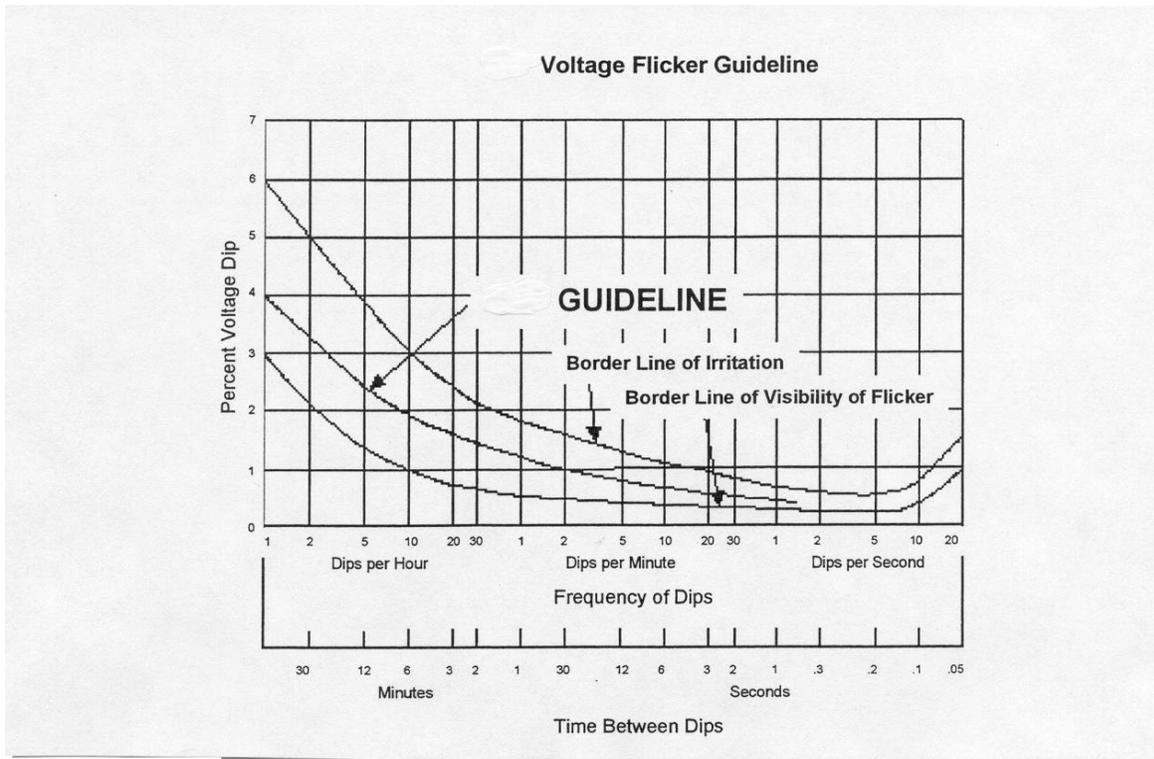


Figure 1. GRE Voltage Flicker Guideline

E. Frequency Control During Disturbances

Power system disturbances initiated by system events such as faults and forced equipment outages expose the system to oscillations in voltage and frequency. It is important that generators remain on line with governors in service for dynamic (transient) oscillations that are stable and damped. To avoid large-scale blackouts that can result from excessive generation loss, major transmission loss, or load loss during a disturbance, underfrequency load shedding has been implemented using standards set by MRO. When system frequency declines, loads are automatically interrupted in steps to attempt to stabilize the system by balancing available generation to remaining load.

All interconnection customers' generating equipment shall be capable of remaining interconnected to the system and attempting to return system frequency to its 60 Hz nominal value at all frequencies between 58.5 and 61.5 Hz.

F. Harmonics

Harmonics can cause telecommunication interference, increase thermal heating in transformers, disable solid state equipment and create resonant overvoltages. In order to protect equipment from damage, harmonics must be managed and mitigated. The interconnection customer's equipment shall not introduce excessive distortion to the GRE system's voltage and current waveforms per IEEE 519-1992.

The harmonic distortion is defined as the ratio of the root mean square (rms) value of the harmonic to the rms value of the fundamental voltage or current. The harmonic distortion measurements shall be made at the point of interconnection between the interconnection customer and the GRE system and shall be within the limits specified in the tables below. GRE advises the interconnection customer to account for harmonics during the early planning and design stages. Refer to Tables 1 and 2 for voltage distortion limits.

Table 1. Voltage Distortion Limits

Bus Voltage At PCC	Individual Voltage Distortion IHD %	Total Voltage Distortion THD %
Below 69 kV	3.0	5.0
69 kV to 115 kV	1.5	2.5
115 kV and above	1.0	1.5
<i>Source: IEEE 519, Table 11.1</i>		

Table 2. Current Distortion Limits For Non-Linear Loads At The Point Of Common Coupling (PCC) From 120 To 69,000 Volts

Maximum Harmonic Current Distribution in % of Fundamental Harmonic Order (Odd Harmonics)						
I(sc)/I(l)	<11	11<h<17	17<h<23	23<h<35	35<h	THD
20	4.0	2.0	1.5	0.6	0.3	5.0
20-50	7.0	3.5	2.5	1.0	0.5	8.0
50-100	10.0	4.5	4.0	1.5	0.7	12.0
100-1000	12.0	5.5	5.0	2.0	1.0	15.0
1000	15.0	7.0	6.0	2.5	1.4	20.0

Where:

$I(sc)$ = Maximum short circuit current at PCC

$I(l)$ = Maximum load current (fundamental frequency) at PCC

PCC = Point of Common Coupling between Applicant and utility

Generation equipment is subject to the lowest $I(sc)/I(l)$ values

Even harmonics are limited to 25% of odd harmonic limits given above

Source: IEEE 519, Table 10.3

A special study will be required for situations when the fault to load ratio is less than 10.

Lower order harmonics, particularly the third and ninth harmonics, will often be of more concern to the owner of the generator. These are often related to generator grounding, and to the type of transformer connections that may be involved. It is to the interconnection customer's advantage to work these problems out early enough so that interconnection customer and GRE equipment can be acquired to achieve proper control.

G. Fault Current

The combined available fault current of the GRE system and the interconnection customer's facilities must not overstress GRE equipment. The interconnection customer shall provide any necessary equipment to satisfy this requirement.

If the installation of the interconnection customer's equipment causes fault current limits to be exceeded, the interconnection customer will be required to install equipment to limit the fault current on the GRE system or compensate GRE for the additional costs of installing equipment that will safely operate within the available fault current. The exact value of available fault current depends upon location and circuit configuration and will be determined in the interconnection studies. The interconnection customer must work closely with GRE at the time of interconnection design to determine the available fault current at the specific location of interconnection.

III. Physical Interconnection

The configuration of the facilities that GRE requires at the point of interconnection will be determined during the Facility Study phase. This will be determined by the combination of the transmission system reliability requirements and the characteristics of the generation being interconnected.

A. Interconnect to a GRE Transmission Line

1. GRE Requirements:

A GRE operated disconnect device must be provided as a means of electrically isolating the GRE system from the generator. This will be used to establish visually open working clearance for maintenance and repair work in accordance with GRE safety rules and practices. A disconnect device shall be located at the point of interconnection (ownership change) with GRE. It shall be a gang operated, 3 way switch. The switch may be required to be motor operated and full load break. This will be determined during the Facility Study phase based on GRE system operations requirements in the area.

The switch will be located on a GRE owned transmission structure and it will be installed and maintained by GRE. The GRE 3 way switch shall be identified with a GRE designated switch number plate per GRE's specifications.

The switch must not be used to make or break parallels between the GRE system and the generator(s). Only GRE designated personnel shall operate the device. For this reason, the device enclosure and operating handle shall be kept locked at all times with GRE padlocks.

2. GRE Generation Interconnection Customer Requirements:

A high side visible open disconnect device must be installed at the interconnection customer's substation. A visible open disconnect device could be a switch or a fuse.

A high side protection device must also be installed at the interconnection customer's substation. This device must be rated for available fault levels and have a 3 cycle interruption capability in most cases. The protection device could be a circuit switcher, fuse (acceptable only at less than 10MVA), circuit breaker or transrupter (to name a few).

B. Interconnect to a GRE Substation

1. GRE Requirements:

GRE's substation design will be based on the existing configuration of the substation. Design of the substation will take into account that GRE's system reliability will not be impacted by a breaker failure of the interconnection customer's high side interrupting device.

2. GRE Generation Interconnection Customer Requirements:

A high side visible open disconnect device must be installed at the interconnection customer's substation. A visible open disconnect device could be a switch or a fuse.

A high side protection device must also be installed at the interconnection customer's substation. This device must be rated for fault levels and have a 3 cycle interruption capability in most cases. The protection device could be a circuit switcher, fuse (acceptable only at less than 10MVA), circuit breaker or transrupter just to name a few.

NOTE: All GRE Network Upgrades or Interconnection Facilities that are needed will be designed to GRE standards. GRE transmission lines will be designed using GRE standard conductor size and temperature rating criteria per "GRE's Guide for Transmission Line Design." Such standards and guides will be supplied to the interconnection customer upon request.

IV. PROTECTIVE RELAYS

A. Relay Requirements

An important concern in the delivery of electrical power to GRE's system is the potential hazard to life and property. A unit's ability to go off-line immediately when a fault is detected is the primary safety requirement for generators interconnected to the GRE system.

The interconnection customer must install utility grade protective and control relays. These relays must at a minimum meet IEEE Standards C37.90, C37.90.1 and C37.90.2. GRE shall have the right to approve those portions of the interconnection customer's protection system and equipment that GRE determines may affect the GRE system.

GRE's protection requirements are designed and intended to protect GRE's system only. It is the interconnection customer's responsibility to protect their system and equipment. Additional protective or connecting devices not mentioned in this document may be required for the interconnection depending on the results of the various studies coordinated by MISO.

V. METERING AND SCADA/TELEMETERING REQUIREMENTS

A. General

The purpose of this section is to assist interconnection customers in accommodating GRE billing metering, instantaneous metering, and SCADA indication and control requirements for the measurement of electricity supplied to the GRE system and interconnection of the interconnection customer's generator on GRE's system.

GRE prefers to own, operate, and maintain the SCADA, metering, and telemetry equipment. However, the ownership, operation, and maintenance of the metering, SCADA, and telemetry equipment will be decided during the interconnection studies. At a minimum GRE will have the right to:

- Review and approve the metering and telemetry design to meet the requirements for that class of facilities,
- Review and approve the equipment purchased by the interconnection customer,
- Inspect the final installation,
- Participate in jointly testing the metering and telemetry equipment during the installation
- Participate in subsequent periodic testing, and
- Access the SCADA, metering, and telemetry equipment at any time.

B. Summary of Billing Metering Requirements

- Metering equipment (CT's, PT's, Meter, etc.) shall adhere to ANSI standards C-12.1 and IEEE standard C-57.13.
- Minimum Instrument transformer accuracy per GRE Requirements:
Current transformers (all ratios): 0.3B0.5
Potential transformers (all ratios); 0.3Y
- Instrument transformer test reports shall be provided to GRE. Periodic testing and inspection by GRE will be required for metering CT's or PT's.
- Metering instrument transformers shall be dedicated for metering purposes only. Connecting other equipment to the CT and PT metering circuits is not permitted.
- A DC power source will be provided by the interconnection customer to the meter for continuous energization of the meter electronics regardless of whether the generator is on or off line.
- It is desirable to meter the generator at the point of interconnection. If this cannot be accomplished, loss compensation will be incorporated into the billing meter.
- MV-90 end of month frozen meter reading data requirements are: 15 minute stored pulse data for KWh and KVarh both Delivered and Received quantities; registers must be scaled to ensure that the meter reading does not roll over more than once within a month and that there is sufficient pulse data storage for at least 45 days of data. GRE would prefer IP connection to meter for MV-90 but dial up telephone access with a modem is acceptable with proper telephone protection.

C. Summary of Telemetry/SCADA Requirements

The requirements for telemetry are based on the need of the GRE System Operations Control Center to protect all users of the transmission system from unacceptable disturbances, and fulfill operational and control requirements defined in agreements between GRE, MISO, and the interconnection customer. This includes:

- Status (open/close) of generator and interconnection breaker(s) or other disconnecting devices.
- Instantaneous Generator Net MW and MVar quantities.
- Hourly frozen accumulators for MWh delivered and MWh received. The hourly freeze signal must emanate from a single source; typically an Energy Management System (EMS) or substation RTU with GPS time scale.
- Automatic Generation Control (AGC), if plant is not exempt under MISO rules.
- Remote control of breakers, plant generator, line switches, etc., as defined in the Generator Interconnection Agreement/Facility Construction Agreement (if required).

D. Metering, Telemetry, and SCADA Equipment Repair

The owner of the metering, telemetry, and/or SCADA equipment is responsible for ensuring that the equipment is adequately maintained and is repaired within a reasonable time after a failure is detected. The repair or replacement of a bad meter must be completed within 24 hours after the problem has been detected. If this equipment cannot be repaired within that time, GRE may require the interconnection customer to cease all generation until the problem has been resolved.

VI. OPERATING PROCEDURES

A. Jurisdiction of Dispatcher

The interconnection customer's generator(s) while operating interconnected with GRE's system is at all times under the jurisdiction of GRE's system dispatcher. In addition to the Generator Interconnection Agreement, under some circumstances, an operating agreement between the interconnection customer and GRE may be required.

B. Communications

The interconnection customer shall supply GRE with contacts for emergency and normal operations, including 24 hour x 7 day a week contact information.

1. Telemetry Failure

When telemetering is inoperative, the interconnection customer shall report hourly the capacity delivered each hour and the energy delivered each day to the GRE System Operations Control Center.

2. Interconnecting to and separating from GRE (Attended facilities only)

The interconnection customer will notify the GRE System Operations Control Center prior to interconnecting or separating from the GRE system. For unexpected separations from GRE, the interconnection customer will inform the GRE System Operations Control Center of the nature of the problem (i.e. overvoltage, underfrequency, ground fault, etc) and report on relay target operations.

3. Clearances and Switching Requests

These requests will be handled through the GRE System Operations Control Center. The facility shall have an approved disconnect for operation by GRE personnel as a clearance point.

4. Unusual or Emergency Conditions

Unusual operating conditions or other factors that may affect the capability or the reliability of the interconnection customer's generation must be reported to the GRE System Operations Control Center as soon as possible. Conditions imperiling life or property shall be reported to the GRE System Operations Control Center immediately. The GRE System Operations Control Center shall be notified of any "forced outage" and the GRE System Operations Control Center will notify the interconnection customer of any unusual GRE conditions that may affect the interconnection customer's generation.

C. Maintenance

The interconnection customer shall follow applicable NERC standards for maintenance of protection and control equipment.

D. Disconnection from GRE's System

GRE reserves the right to open the intertie circuit breaker or disconnect device for any of the following reasons:

- Personnel safety is threatened.
- Transmission line maintenance.

- System emergency.
- Inspection of the interconnection customer's generating equipment and protective equipment reveals a hazardous condition.
- Failure of the interconnection customer to provide maintenance and testing reports to GRE when required.
- The interconnection customer's generating equipment interferes with other customers or the operation of the GRE system.
- The interconnection customer has modified the generating equipment or protective devices without the knowledge or approval of GRE.
- Interconnection of any unapproved interconnection customer generating equipment.
- Failure of the interconnection customer to comply with applicable OSHA safety procedures including but not limited to tagging and lockout requirements.
- If the interconnection customer's generating equipment is consistently outside the +/- 95% power factor, GRE reserves the right to disconnect the customer or require VAR compensation.

The failure of GRE to open the intertie circuit breaker or disconnect device shall not serve to relieve the interconnection customer of any liability for injury, death, or damage which is attributable to the interconnection customer's operations or equipment.

Changes to the GRE system, or the addition of other interconnections in the vicinity, may require modifications to the interconnection protective devices. If such changes are required, the interconnection customer may be subject to future charges for such modifications.

X. GLOSSARY

Ampere (AMP): The unit of current flow of electricity. It is to electricity as the number of gallons per minute is to the flow of water. One ampere flow of current is equal to one coulomb per second flow.

Automatic: Self-acting, operated by its own mechanism when actuated by some impersonal influence as, for example, a change in current strength; not manual; without personal intervention.

Balancing Authority BA: The responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency real time.

Balancing Authority Area: The collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area.

Capacity: The number of amperes of electric current a wire will carry without becoming unduly heated; the capacity of a machine, apparatus or device, is the maximum of which it is capable under existing service conditions; the load for which a generator, turbine, transformer, transmission circuit, apparatus, station or system is rated.

Circuit: A conducting path through which an electric current is intended to flow.

Circuit Breaker: A device for interrupting a circuit between separable contacts under normal or fault conditions.

Current: A flow of electric charge measured in amperes.

Current Transformer (CT): A transformer intended for metering, protective or control purposes, which is designed to have its primary winding connected in series with a circuit carrying the current to be measured or controlled. A current transformer normally steps down current values to safer levels. A CT secondary circuit must never be open circuited while energized.

Disconnect: A device used to isolate a piece of equipment. A disconnect may be gang operated (all poles switched simultaneously) or individually operated.

EMS: Energy Management System. The computer system GRE uses to provide real-time status and remote control of its electrical transmission system.

FERC: Federal Energy Regulatory Commission. FERC is an independent body within the Department of Energy (DOE) regulating, among other things, interstate transmission and transmission reliability.

Frequency: The number of cycles occurring in a given interval of time (usually one second) in an electric current. Frequency is commonly expressed in hertz.

Fuse: A short piece of conducting material of low melting point which is inserted in a circuit for the purpose of opening the circuit when the current reaches a certain value.

Ground: A term used in electrical work in referring to the earth as a conductor or as the zero of potential. For safety purposes, circuits are grounded while any work is being done on or near a circuit or piece of equipment in the circuit; this is usually called protective or safety grounding.

Hertz: The term denoting frequency, equivalent to cycles per second.

Interconnection Facilities: The physical system of electrical transmission between the customer's generation and the utility. A more detailed definition is provided in the MISO ASM Tariff, including its Attachment X.

Interruption: A temporary discontinuance of the supply of electric power.

IPP: Independent Power Producer. An organization, which is not a utility, that operates a power plant, produces energy and then sells it to a utility.

Island: A part of an interconnected system may be isolated during a system disturbance and start operating as a subsystem with its own generation, transmission and distribution capability. Then the subsystem becomes an island of the main interconnected system without a tie. In such a case, the islanded system and the main interconnected system will operate at different frequencies and voltages.

Kilovolt (kV): One thousand volts.

Kilovolt-Ampere (kVA): One thousand volt amperes. See the definition for Apparent Power.

Kilowatt (kW): An electric unit of power which equals 1,000 watts.

Kilowatthour (kWh): One thousand watts of power supplied for one hour. A basic unit of electric energy equal to the use of 1 kilowatt for a period of one hour.

Lagging Power Factor: Occurs when reactive power flows in the same direction as real power.

Leading Power Factor: Occurs when reactive power flows in the opposite direction of real power.

Line Losses: Electrical energy converted to heat in the resistance of all transmission and/or distribution lines and other electrical equipment.

Metering Device(s): The meters, metering equipment and data processing equipment, and related communications equipment, used to measure, record or transmit data relating to the energy output from the facility.

MISO: Midwest Independent Transmission System Operator, Inc., also known as the Transmission Provider.

MRO: Midwest Reliability Organization

Network Upgrades: Upgrades that are needed to the Transmission System in order to accommodate the interconnection customer's generation output/interconnection.

NERC: North American Electric Reliability Corporation, or successor organization.

One-Line Drawing: A drawing in which several conductors are represented by a single line and in which various devices or pieces of equipment are denoted by simplified symbols. The purpose of such a drawing is to present an electrical circuit or circuits in a simple way so that their function can be readily grasped.

Point of Interconnection: The point where the interconnection customer's facilities meet GRE facilities (point of ownership change).

Potential Transformer (PT): A transformer intended for metering, protective or control purposes, which is designed to have its primary winding connected to the high voltage circuit and its secondary winding connected to the metering, protective or control equipment at a lower voltage level that is suitable for measurement. A potential transformer normally steps down potential values to safer levels.

Power: Actual, Active or Real Power: The time rate of transferring or transforming energy or the power that accomplishes work. Measured in Watts.

Power Factor: The ratio of actual power (kW) to apparent power (kVA).

Power Flow: One-way power flow is the condition where the flow of power is entirely into the customer's facility. Two-way power flow is the condition where the net flow of power may be either into or out of the customer's facility depending on the operation of the generator and other customer load.

Power System Stabilizer: Supplemental excitation device for dampening low-frequency oscillations.

Protection: All of the relays and other equipment which are used to open the necessary circuit breakers to clear lines or equipment when trouble develops.

Reactive Power: (VAR) The power that oscillates back and forth between inductive and capacitive circuit elements without ever being used. The function of reactive power is to establish and sustain the electric and magnetic fields required to perform useful work.

Relay: A device that is operative by a variation in the condition of one electric circuit to affect the operation of another device in the same or in another electric circuit.

Switch: A device for making, breaking or changing the connections in an electric circuit.

System: The entire generating, transmitting and distributing facilities of an electric company.

Transformer: An electric device, without continuously moving parts, in which electromagnetic induction transforms electric energy from one or more other circuits at the same frequency, usually with changes of value of voltage and current.

Voltage: Electric potential or potential difference expressed in volts.

Volt-Ampere: A unit of apparent power in an alternating-current circuit.

VAR: Volt ampere reactive, see Reactive Power.

Watt-Hour: A unit of work or energy equivalent to the power of one watt operating for one hour.

XI. REFERENCES

- "National Electrical Safety Code", ANSI C2-1987, Published by the Institute of Electrical and Electronics Engineers, Inc.
- "IEEE Standard Relays and Relay Systems Associated with Electric Power Apparatus", ANSI/IEEE C37.90, 2005.
- "Guide for Protective Relaying of Utility – Consumer Interconnections", ANSI/IEEE C37.95, 1988.
- "IEEE Guide for Interfacing Dispersed Storage and Generation Facilities with Electric Utility Systems", IEEE Std. 1001, 1988.
- "IEEE Recommended Practice for Utility Interconnection of Small Wind Energy Conversion Systems", ANSI/IEEE Std. 1021, 1988.
- "Intertie Protection of Consumer-Owned Sources of Generation, 3 MVA or Less", IEEE Publication 88 THO224-6-PWR.
- "Reliability Considerations for Integrating Non-Utility Generating Facilities with the Bulk Electric Systems", North American Electric Reliability Council, Princeton, NJ 8540, April 1987.
- Recommended Practice for Protection and Coordination of Industrial and Commercial Power Systems – "Buff Book", ANSI/IEEE Std. 242-1986.
- Recommended Practice for Emergency and Standby Power Systems for Industrial and Commercial Applications – "Orange Book", ANSI/IEEE Std. 446-1987.
- "Station Power, Business Practices Manual", RTO-BPM-003-r1; effective date: JAN-06-2009; §2.2
- The National Electrical Code, National Fire Protection Association, Quincy, MA 02269, 1993 Edition.
- "IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems", IEEE Standard 519-1992.
- "IEEE Requirements for Instrument Transformers", IEEE Standard C57.13-2008.
- "ANSI Code for Electricity Metering", ANSI C12.1-2008.

OSHA Safety Tagging and Lock-out Procedures.

**Appendix D
To GIA**

Security Arrangements Details

Infrastructure security of Transmission or Distribution System equipment and operations, as applicable, and control hardware and software is essential to ensure day-to-day Transmission and Distribution System reliability and operational security. The Commission will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission or Distribution System, as applicable, to comply with the recommendations provided by Governmental Authorities regarding Critical Energy Infrastructure Information ("CEII") as that term is defined in 18 C.F.R. Section 388.113(c) and best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

**Appendix E
To GIA**

Commercial Operation Date

[Date]

Midwest ISO, Inc.
Attn: Director, Transmission Access Planning
PO Box 4202
Carmel, IN 46082-4202

for overnight deliveries:
720 City Center Drive
Carmel, IN 46032

Re: _____ Generating Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** has completed Trial Operation of the Generating Facility. This letter confirms that **[Interconnection Customer]** commenced commercial operation of ___ MW rating at the Generating Facility, effective as of **[Date plus one day]** **subject to the testing, operating limits and terms and conditions of the GIA.**

Thank you.

[Signature]

[Interconnection Customer Representative]

xc: Transmission Owner

**Appendix F
To GIA**

Addresses for Delivery of Notices and Billings

Notices:

Transmission Provider:

USPS mailing address:
Midwest ISO
Attn: Director, Transmission Access Planning
P.O. Box 4202
Carmel, IN 46082-4202

for overnight deliveries:
Midwest ISO
Attn: Director, Transmission Access Planning
720 City Center Drive
Carmel, IN 46032

Transmission Owner:

Paul Hamel
Great River Energy
12300 Elm Creek Boulevard
Maple Grove, MN 55369-4718

Interconnection Customer:

Mark Ward
Senior Vice President
AWA Goodhue LLC
Mesa Power Group LLC
8117 Preston Road, Suite 260
Dallas, Texas 75225
Phone: 214-365-147
Fax: 214-750-9773
mward@bpcap.net

Billings and Payments:

Transmission Provider:

Midwest ISO
Attn: Director, Transmission Access Planning
P.O. Box 4202
Carmel, IN 46082-4202

Transmission Owner:

Great River Energy
Attn: Mail Stop 200
12300 Elm Creek Boulevard
Maple Grove, MN 55369-4718

Interconnection Customer:

Mark Ward
Senior Vice President
AWA Goodhue LLC
Mesa Power Group LLC
8117 Preston Road, Suite 260
Dallas, Texas 75225
Phone: 214-365-9147
Fax: 214-750-9773
mward@bpcap.net

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

Transmission Provider:

USPS mailing address:
Midwest ISO
Attn: Director, Transmission Access Planning
P.O. Box 4202
Carmel, IN 46082-4202

for overnight deliveries:

Midwest ISO
Attn: Director, Transmission Access Planning
720 City Center Drive
Carmel, IN 46032

Transmission Owner:

Paul Hamel
Great River Energy
Phone: 763-445-5946
Fax: 763-445-6746
phamel@GREnergy.com

Interconnection Customer:

Mark Ward Senior
Vice President
AWA Goodhue LLC
Mesa Power Group LLC
8117 Preston Road, Suite 260
Dallas, Texas 75225
Phone: 214-365-9147
Fax: 214-750-9773
mward@bpcap.net

With copy to
Locke Lord Bissell & Liddell LLP
2200 Ross Ave., Suite 2200
Dallas, Texas 75201
Phone: 214-740-8433
Fax : 214-756-8433
Attention Billie J. Ellis, Jr.
Email: bjellis@lockelord.com>
c/o AWA Goodhue

Miscellaneous Information:

Transmission Owner

DUNS# 04-766-4649

Interconnection Customer

DUNS# 96-341-6248

APPENDIX G**INTERCONNECTION REQUIREMENTS FOR A WIND GENERATING PLANT**

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this GIA continue to apply to wind generating plant interconnections.

A. Technical Standards Applicable to a Wind Generating Plant
i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

The transition period standard applies to wind generating plants subject to FERC Order 661 that have either: (i) interconnection agreements signed and filed with the Commission, filed with the Commission in unexecuted form, or filed with the Commission as non-conforming agreements between January 1, 2006 and December 31, 2006, with a scheduled in-service date no later than December 31, 2007, or (ii) wind generating turbines subject to a wind turbine procurement contract executed prior to December 31, 2005, for delivery through 2007.

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4-9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (*i.e.* transformer that steps the voltage up to the transmission interconnection voltage or “GSU”), after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system.
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (*e.g.* Static VAR Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

Post-transition Period LVRT Standard

All wind generating plants subject to FERC Order No. 661 and not covered by the transition period described above must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4-9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (*e.g.* Static VAR Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.

5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

ii. Power Factor Design Criteria (Reactive Power)

A wind generating plant shall maintain a factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider has established different requirements that apply to all generators in the Local Balancing Authority on a comparable basis, measured at the Point of Interconnection as defined in this GIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The

power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from the Transmission Provider to protect system reliability. The Transmission Provider and the wind plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

Exhibit 2

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
David C. Boyd	Commissioner
Nancy Lange	Commissioner
J. Dennis O'Brien	Commissioner
Betsy Wergin	Commissioner

In the Matter of AWA Goodhue Wind, LLC's Application for a Certificate of Need for a 78 MW Wind Project and Associated Facilities in Goodhue County

ISSUE DATE: October 23, 2013

DOCKET NO. IP-6701/CN-09-1186

In the Matter of the Application of AWA Goodhue Wind, LLC for a Site Permit for a 78 Megawatt Large Wind Energy Conversion System Project in Goodhue County

DOCKET NO. IP-6701/WS-08-1233

DOCKET NO. E-002/M-09-1349
E-002/M-09-1350

In the Matter of Northern States Power Company's Request for Approval of Power Purchase Agreements with Goodhue Wind, LLC

ORDER ACCEPTING WITHDRAWAL, REVOKING SITE PERMIT, AND CLOSING DOCKETS

PROCEDURAL HISTORY

I. Certificate of Need and Site Permit Granted; Contracts Approved

This case involves four closely related dockets – an application for a certificate of need to build a 78-megawatt wind farm (now called New Era Wind Farm) in Goodhue County, an application for a site permit for the wind farm, and a request for approval of two contracts to sell the electricity from the wind farm to Xcel Energy. In three earlier orders the Commission granted the certificate of need,¹ issued a site permit,² and approved the contracts.³

II. Construction Delays and Ownership Changes Prompt Reexamination

The three orders granting the certificate of need, granting the site permit, and approving the power purchase agreements all based their determinations on the project's anticipated in-service date of December 31, 2011. The wind farm was not built on schedule, however, and on

¹ *Order Granting Certificate of Need*, Docket No IP-6701/CN-09-1186, August 23, 2011.

² *Order Issuing Site Permit as Amended*, Docket No. IP-6701/WS-08-1233, August 23, 2011.

³ *Order Approving Power Purchase Agreements, Approving Contract Amendments, and Requiring Further Filings*, Docket Nos. E-002/M-09-1349 and E-002/M-09-1350, April 28, 2010.

December 31, 2012—the last day of the one-year grace period provided under the certificate of need rules—the project filed a request to extend its in-service date for one year. This request was opposed by scores of local residents and questioned by the host county, who raised the issues summarized below:

1. Whether the project had, through ownership changes ending all local ownership, lost its statutory status as a “Community-Based Energy Development (C-BED)” project, a status that had played a critical role in qualifying for a certificate of need, securing the power purchase agreements with Xcel Energy, and securing Commission approval of those agreements.
2. Whether the project’s possible loss of its C-BED status required reexamination of its eligibility for a certificate of need or reexamination of the earlier approval of its power purchase agreements with Xcel Energy.
3. Whether recent ownership changes ending all local ownership violated provisions of the C-BED statute that prohibit any ownership transfer that would result in a C-BED project no longer qualifying for C-BED status.
4. Whether the project’s recent setbacks in acquiring and retaining land leases, easements, wind rights, turbines, and financing affected the merits of its request for an extension of the in-service date in its certificate of need.
5. Whether the project could or would meet its environmental monitoring, protection, and mitigation responsibilities in a time frame consistent with the public interest.

III. Certificate of Need Determination Reopened

On March 20, 2013, the Commission issued an order in all four dockets reopening the certificate of need case under Minn. Stat. § 216B.25. The order found that the circumstances under which the certificate of need had been issued had changed, that specific factual information was needed to determine whether it should remain in effect, and that much of that information could come only from the project.

The project did not file the information requested, explaining that it was focusing its energies on trying to sell its power purchase agreements with Xcel to another wind developer.

On July 26, 2013, the Commission issued an order in all four dockets that, among other things, took the following actions:

1. Declined to extend the certificate of need.
2. Directed the project to either surrender its wind-farm site permit or show cause why the site permit should not be revoked, which cause must include a demonstration of the project’s intent and ability to begin construction by the August 23, 2013, deadline in the site permit.

3. Gave notice of the Commission's intent to revoke the site permit if the project neither surrendered the site permit nor filed an exemption petition under Minn. Stat. § 216B.243 before the permit's August 23 construction deadline.

IV. Project Withdrawn

On July 24, 2013, Xcel Energy made a compliance filing in the two dockets relating to the power purchase agreements between Xcel and the project.⁴ In that filing Xcel stated that both parties had agreed to terminate the agreements and had jointly executed a Termination Agreement.

On September 17, 2013, the project made a filing stating that it no longer intended to develop a wind farm in Goodhue County, that it withdrew the pending avian and bat protection plan required under its site permit, that it requested termination of its site permit, that it withdrew its application to extend its certificate of need, and that it requested that the Commission close all four dockets related to the project.

No one opposed the project's requests. On October 10, 2013, the case came before the Commission.

FINDINGS AND CONCLUSIONS

The Commission will accept New Era's withdrawal of its request to extend its certificate of need and will close the certificate of need docket. In the absence of an extension, the certificate of need expired on December 31, 2012, twelve months from the in-service date originally specified. There is therefore no need for further Commission action in that case and no public interest in retaining an open docket.

The Commission will revoke New Era's site permit and will close the site permit docket. The project did not meet the "show cause" conditions of the last Commission order and has itself asked the Commission to terminate the site permit. There is no need for further Commission action in that case and no public interest in retaining an open docket.

The Commission will close the two power purchase agreement dockets. The contracting parties, Xcel and New Era, have jointly executed a termination agreement and have asked that the dockets be closed. There is no need for further Commission action in those cases and no public interest in retaining open dockets.

The Commission will so order.

⁴ Docket Nos. E-002/M-09-1349 and E-002/M-09-1350.

ORDER

1. The Commission accepts New Era Wind Farm, LLC's request to withdraw its application for an extension of its certificate of need and closes the certificate of need docket, docket number IP-6701/CN-09-1186.
2. The Commission revokes New Era Wind Farm, LLC's site permit for a large wind energy conversion system and closes the site permit docket, docket no. IP-6701/WS-08-1233.
3. The Commission closes the dockets in which the power purchase agreements between Xcel and New Era Wind Farm, LLC—now terminated—were initially approved, docket nos. E-002/M-09-1349 and E-002/M-09-1350.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION



Burl W. Haar
Executive Secretary



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